

MT LEGISLATIVE HISTORY

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Chapter 436 19 83

Bill H 504 S _____

Original bill & hist. ____C

H. Committee on Lab + Emp. Rel.

S. Committee on Highways + Transp.

Hearing Date(s) 2-2 ____C

Hearing Date(s) 3-8 ____C

____C

3-10 ____C

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Date Out ____C

____C

Rept 2-3

Rept 3-11

Did this bill originate in an interim committee? ____Yes ____No

Committee _____

Report _____

Legislature

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Of
HB 414	Holds the chief operating person and corporate officers individually liable for unpaid wages of employees of a corporation	1/20	Addy	2/1	DO PASS	2/3
HB 451	Requires contractors on state construction, renovation, or demolition projects to participate in approved apprenticeship training programs	1/24	Menahan	2/3	DO NOT PASS RECONSIDERED AND AS AMENDED DO PASS	2/8 2/10
HB 454	Changes the duration of benefits schedule for unemployment insurance to the 1977 level	1/24	Driscoll	2/3	DO PASS	2/8
HB 455	Increases the age limit for purposes of the child services exclusion from the definition of employment in the unemployment compensation law	1/24	Driscoll	2/3	DO PASS	2/8
HB 497	Allows highway patrol officers to perform duties in connection with labor disputes upon request of local law enforcement authorities	1/25	Asay	2/1	DO NOT PASS	2/3
HB 504	Provides jobs for railroad employees affected by the consolidation or centralization of railroad stations and facilities	1/26	Zabrocki	2/2 7 p.m.	DO PASS	2/3

HOUSE LABOR AND EMPLOYMENT RELATIONS COMMITTEE
February 2, 1983

The House Labor and Employment Relations Committee convened on Wednesday, February 2, 1983 at 7 p.m. in Room 224K of the State Capitol with Chairman J. Melvin Williams presiding and all members present except Rep. Farris, who was excused. Chairman Williams opened the meeting to a hearing on House Bill 504.

HOUSE BILL 504

REPRESENTATIVE CARL ZABROCKI, District 51, chief sponsor, said this act is to provide jobs to railroad employees affected by the consolidation or centralization of railroad stations and facilities. He said in 1982 Burlington Northern made application to centralize more than 60 railroad stations in Montana. He said the application requested removal of properties like docks, depots, etc. He said the intent of the bill is to define the meaning of closure.

JAMES T. MULLEN, Brotherhood of Railway, Airline and Steamship Clerks, spoke next in support and a copy of his testimony is Exhibit 1 of the minutes.

JIM MURRY, Montana State AFL-CIO, spoke in support of the bill and a copy of his testimony is Exhibit 2 of the minutes.

REPRESENTATIVE JOE BRAND, District 28, spoke in support. He said the proposed mergers could cause some of the workers to go out of state to find jobs. He felt there should be some protection for the workers and he asked the committee to consider this bill very seriously.

DANNY OBERG, Public Service Commission, said the policy of the commission is regards to consolidation and centralization is that they are not the same as closure. He felt this might be a misinterpretation. He felt it was an important bill as it would make the law clearer and he recommended a do pass.

REPRESENTATIVE ROBERT BACHINI, District 7, said he supported the bill and had a number of letters he wished added to the record. These letters including a petition signed by 29 people and 8 letters from railroad agents, and two mailgrams are Exhibit 3 of the minutes.

Opponents

TOM DOWLING, Montana Railroad Association, spoke in opposition. He said they have some concerns with the bill. He said the bill is an intrusion on the collective bargaining agreement between the parties. He said in order to achieve this agreement the railroads made certain concessions, and in this piece of legislation the state of Montana is being asked to legislate in favor of the unions. He said there were trade-offs and there are some problems with seniority. He said it does not

say if there is a closure that the railroad will provide a job in Montana but just a job. He said sometimes the railroad does not have a job for a protected employee and this bill would require the railroad to go out and manufacture a job.

BILL PALM, Burlington Northern, said he is the supervisor of manpower control in Billings. He said HB 504 appears to require placement of jobs on a one-to-one basis. He said they already have salary protection to cover almost every bracket of employee. He said BRAC has the best protection plan of any union shop in the industry. He said in 1970 three roads closed and concessions were given by the railroads to accomplish this. He said the clerks came up with an orange protection which is the best of all the protections in some respects. He said it made it impossible to move any employee who had six years of service out of his own 30 mile radius. If they had fewer years they could be moved, but the railroad had to buy his home and pay all moving costs and have a job waiting. He said when you talk merger protection you are talking about paying the individual as though he is working, with all benefits including vacation for the next year. With this bill, he said, they want job protection in addition. He said there are approximately 600 clerical employees in the state and of these only 28 are not fully protected and by October 3 they will also be protected. He said centralization is the thing of the future and the way to compete. He said it will enable them to give 24 hour service, have a staff with more expertise and do a far better job for the state of Montana. Exhibit 3 is an example of an agreement between Burlington Northern and BRAC.

REPRESENTATIVE ZABROCKI in closing said you can tell by the number of signers on the bill that it is a pretty good bill.

Questions were asked by the committee.

Rep. Driscoll asked what the railroad did when a vice president moved. Mr. Palm said they are treated the same as any other employee.

Rep. Dozier asked with whom they competed. Mr. Palm said they have a lot of competition.

Mr. Palm responded to another question that the only way they can get out of salary protection is through firing someone with cause. He said in the last agreement a way was provided to get out of the protection and that was if there was a dramatic decline in business. He said a formula was worked out

allowing them to reduce from the bottom. He said they thought they could do this last year but found there was not enough decline in business.

Rep. Ellerd asked if they could moonlight. Mr. Palm said no, they could, but for every dollar they earned the amount paid would be reduced that amount.

Rep. Hannah asked Mr. Palm about the 28 employees that would not be fully covered, where would they be if this bill doesn't pass. Mr. Palm said everyone this bill is designed to protect will be protected anyway. He said he would go so far as to say if the station were closed tomorrow no one would be affected. Rep. Hannah asked Mr. Mular to respond to this. Mr. Mular said their seniority list has 1400 names which is far more than Mr. Palm's list. Mr. Palm said they are speaking of state of Montana employees and perhaps Mr. Mular isn't. A copy of names was submitted by Mr. Dowling and this is Exhibit 4. Chairman Williams requested that Mr. Mular submit his list of names to the committee. *Ex. 10 at the Historical Library Originals*
has that list.

Mr. Oberg was asked if the PSC makes an allowance for extended benefits when they add costs. Mr. Oberg said if it is part of the cost of doing business, it would have to be taken into account.

Chairman Williams closed the hearing on this bill and opened the hearing on House Bill 512.

HOUSE BILL 512

REPRESENTATIVE LLOYD MCCORMICK, District 38, chief sponsor, said this bill provides that a workers' compensation insurer that reverses a decision to deny or terminate compensation for a claim must pay costs and attorney fees.

REPRESENTATIVE KELLY ADDY, District 62, spoke for the bill. He said he has had frequent experiences representing workers who on the initial filing of their claim has been turned down but upon being called by a lawyer they reverse the decision and honor the claim. So the client is compensated for his injury but is out his attorney fees.

JIM MOORE, Montana Trial Lawyers, spoke next in support, and a copy of his testimony is Exhibit 5 of the minutes.

JIM MURRY, Montana State AFL-CIO, spoke next in support and said he agreed with the preceding witnesses. He said he felt this was in keeping with the intention of the workers compensation law. He said it is the only fair way of handling the



Exhibit 1

BROTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP CLERKS, FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES

440 ROOSEVELT DRIVE R-1

AFL-CIO—CLC

JAMES T. MULAR

State Director

~~Rt. 1 Box 1008~~

Butte, MT 59701

Phone 406-494-2316

TO: HONORABLE MEL WILLIAMS, CHAIRMAN, AND MEMBERS
MONTANA HOUSE OF REPRESENTATIVES COMMITTEE
ON LABOR & EMPLOYMENT RELATIONS

SUBJECT: STATEMENT OF JAMES T. MULAR, STATE LEGISLATIVE DIRECTOR,
BRAC, ON BEHALF OF THE UNITED TRANSPORTATION UNION,
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES, BROTHERHOOD
OF LOCOMOTIVE ENGINEERS.

RE: HB 504 COMMITTEE HEARING HELD FEBRUARY 2, 1983

Mr. Chairman, members of the Committee; For the record, my name is James T. Mular - State Legislative Director, Brotherhood of Railway & Airlines Clerks. I live at 440 Roosevelt Drive, Butte, Montana. Our organization supports the amendments contained in HB 504; which clearly defines a rail road station closure - whenever a railroad CONSOLIDATES, or CENTRALIZES station facilities.

In 1973 the Montana Legislature enacted Section 69-14-1001 MCA, giving Montana railroad station employees wage protection as a condition precedent to any Public Service Commission's closure order. The 1973 legislation was patterned after Section 5 (2) (f) of the Interstate Commerce Act, commonly referred to as the WASHINGTON JOB PROTECTION AGREEMENT covering railroad employees affected by railroad mergers, consolidations, and abandonments.

From 1973 to 1980, the Montana Public Service Commission did in fact authorize station consolidations and centralizations. For example, B.N. created mobile agencies, a concept that involved several stations to be serviced directly by a mobile van, with office facilities, and general station accounting capabilities. Whenever the Commission ordered this concept into operation, they allowed the railroad to remove the fixed station facilities, and subjected the carrier to pay wage protection in compliance with Montana law. Thus, a senior agent who was required to displace junior employees through the domino effect kept his rate of pay, and the junior employee who suffered wage loss was protected by the Montana law, up to four years.

(NOTE: Union label removed
for duplication purposes)

Then the B.N.-Frisco lines merger was consummated December 1, 1980. For example, the most recent application to consolidate agency service was docketed January 18, 1983. In this application, B.N. seeks to consolidate Opheim, Glentana, Richland, Peerless, and Four Buttes, with Scobey, Montana, (Docket T-6952) and to consolidate Froid, Homestead, Medicine Lake, Reserve, Antelope, Redstone, and Flaxville with the agency at Plentywood, Montana. (Docket T-6954)

The application further requests that B.N. be authorized to dispose of or otherwise remove the station facilities, which encompasses public dock and tracks, warehouse and depot, and other fixed appurtenances. In 1982 the present Commission took the position that it has no authority to impose wage protection to any employee affected by a consolidation whose position is jeopardized through the domino theory of seniority displacement by a senior agent over a junior employee, even though previous Commissions extended wage protection to ANY employee who was displaced under seniority options made by a Station Agent. That case is now being appealed. Obviously the Public Service Commission interprets existing law as that applicable to any railroad who applies for authority to CLOSE a station and uses that word in the application.

We submit to this committee, that whenever a railroad seeks to consolidate station facilities, and removes its fixed plant that such transaction is a CLOSURE within the purview of Section 69-14-202 MCA, which requires railroads doing business in Montana to maintain and staff facilities in communities of 1,000 or more inhabitants, and at least one in each county where the railroad operates. Any removal of these facilities constitutes a departure from the Montana statute that we have cited.

February 2, 1983

We are before this Committee seeking a more clearly defined meaning of closure which is contained in HB 504. The amendments shown in this bill would clarify to include any type of consolidation or centralization, and retain Montana rail station operations according to our state laws.

Montan railroads are attempting to consolidate or centralize their station facilities and operations outside our state borders. This is indicative of B.N.'s recent application to consolidate agency services at Bainville, Montana with Williston, North Dakota.

Should this application be granted by the PSC, a dangerous precedent is created for subsequent station consolidations, which would require our junior Montana employees to re-locate in other states whenever a station application was authorized by the Commission. And if amendments contained in HB 504 are not adopted, our junior employees would suffer without any remedy under the present law.

Moreover, withdrawals of station facilities in Montana are not in the public interest. This exodus stifles community economic growth, and impacts a stable employee payroll, which destroys Montana's theme of KEEPING JOBS AND PEOPLE WORKING.

We respectfully request that this Committee give a "do pass" to the amendments shown in HB 504. Thank you for allowing us to testify.

JAMES T. MULAR



BROTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP CLERKS, FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES

440 Roosevelt Drive RR 1

AFL-CIO—CLC

ARTCRAFT, BUTTE

JAMES T. MULAR
State Director
Butte, MT 59701
Phone 406-494-2316

TO:

SUBJ: LEGISLATIVE AUDIT COMMITTEES DECISION TO SUN SET THE
PUBLIC SERVICE COMMISSIONS AUTHORITY OVER RAILROAD
STATION FACILITY CLOSURES (Section 69-14-202 MCA and RAIL
EMPLOYEE SAFETY LAWS.

DEAR

From December 1981, thru December 1982, the following station closures, and
facility removals were requested by Burlington Northern Railroad Company (BN-RC)

TROY, FORTUNE, BROWNING, ST. REGIS, CHOTEAU, CARTER, PORTAGE, BELT,
DARBY, KEVIN, SUNBURST, GALATA, DEVON, LORING, WHITEWATER,
WAGNER, DODSON, POPLAR, KALISPELL, WIBAUX, LODGE GRASS, BRIDGER,
BROADVIEW, RAPELJE, COLUMBUS, BIG TIMBER, BOZEMAN, BELGRADE,
MANHATTAN, THREE FORKS, HARRISON, EAST HELENA, PHILLIPSBURG,
FRAZER, SACO, NASHUA, AND HINSDALE, MONTANA.

RICHEY, LAMBERT, FAIRVIEW, BROCKWAY, CIRCLE, TERRY, WHITEHALL,
TWIN BRIDGES, SHERIDAN, ALDER, TRIDENT, TOSTON, and TOWNSEND. A
total of fifty stations.

Presently the Montana Public Service Commission has jurisdiction over the main-
tenance and staffing of railroad facilities. (Section 69-14-202 M.C.A.) Railroads doing
business in Montana must maintain and staff station facilities in communities of a
1,000 or more inhabitants, and at least one station facility in each county where they
operate. Preferably the County Seat. The foregoing stations that did not meet the
thousand population criterion, became vulnerable to closure.

Pursuant to Montana law, the Commission ordered the following stations remain
open: (Sec. 69-14-202 MCA)

TROY (over 1M pop) BROWNING (over 1M pop) CHOTEAU (over 1m pop & County
Seat) FAIRVIEW (over 1M pop) CIRCLE (County Seat) TERRY (County Seat)
BIG TIMBER (over 1M pop & County Seat) WIBAUX (County Seat) WHITEHALL
(Last Station in Jefferson City) COLUMBUS (over 1M pop & county seat)
PHILLIPSBURG (Granite County seat over 1M pop) BRIDGER (last station in
Carbon County)

Stations ordered to remain open with less than one thousand population:

FALLON (remain open during sugar beet harvest 6 weeks)

DARBY (BN withdrew application requesting dismissal)

Stations ordered closed with less than 1,000 inhabitants:

(more reverse side)

FORTINE, DEVON, LORING, WHITEWATER, WAGNER, DODSON, RICHEY, LAMBERT, BROCKWAY, FRAZER, SACO, NASHUA, HINSDALE, ST. REGIS.

Cases pending disposition are:

CARTER, PORTAGE, BLET, POPLAR, KEVIN, SUNBURST, GALATA, DEVON, LODGE GRASS, BIG TIMBER, BOZEMAN, MANHATTAN, BELGRADE, THREE FORKS, HARRISON, WHITEHALL, TWIN BRIDGES, SHERIDAN, ALDER, TOSTON, TRIDENT, TOWNSEND, EAST HELENA, and KALISPELL.

Pursuant to the Legislative Audit Committees decision to SUN SET the Commissions jurisdiction over station closings. Our members will be directly affected along with our rural communities. Sun Setting, or abolishing Commission jurisdiction over railroad stations will give Burlington Northern CARTE BLANCHE authority to close all stations in Montana.

In 1925, pursuant to the Interstate Commerce Commissions decision in 94 I.C.C. 691 held that:

"We (ICC) found that we lacked jurisdiction over the proposed retirement of a freight and passenger depot." (Cited also in BOSTON TERMINAL CO. REORGANIZATION Finance Docket No. 12625 at p-378 December 15, 1960)

In the Boston Terminal case cited above the I.C.C. stated:

"The Congress has been fully aware that the abandonment of stations is ordinarily a matter wholly with the jurisdiction of the State Regulatory bodies. Indeed as recently as 1968, the Congress made it clear that it did not wish to transfer such jurisdiction to the Interstate Commerce Commission. (H.Rept. No. 1922 85th Congress 2d Session p-12)"

If the Public Service Commissions' jurisdiction is abolished as recommended by the Legislative Audit Committee, a subsequent repeal by implication will be granted to Burlington Northern. Submitting all of our cities, towns etc. to losing vital rail transportation facilities.

Our organization strongly opposes the loss of state jurisdiction. In as much as our members will be re-located to other states located on BN's 29 state network. Tremendous economic impacts would result in our rural and branch line communities.

We humbly seek your support in the 1983 legislative session in retaining the present law.

Truly Yours,

James T. Mular, SLD BRAC

cy: to all Montana members.

APPENDIX A
PROTECTIVE AGREEMENT

ARTICLE I – PROTECTED EMPLOYEES

Section 1.

(a) All employees subject to the Working Agreement dated May 6, 1980, who are in the service of the Carrier on the effective date of this Agreement, or who are so employed subsequent thereto will become "Protected Employees" subject to the terms of this Agreement as follows:

- (1) Effective with the date of this Agreement for employees who have three (3) or more years of continuous service on that date.
- (2) Effective with the date the employee acquires three (3) years of continuous service for employees with less than three (3) years of service on the date of this Agreement.
- (3) Effective with the date the employee acquires four (4) years of continuous service for employees hired following the effective date of this Agreement.

(b) Protected Employees will be continued in compensated service with the Carrier and will not be placed in a worse position with respect to compensation as hereafter provided until such time as they leave the service of the Carrier by natural attrition.

(c) All employees of the Carrier who have an employment relationship on the effective date of their protection who were on leave of absence (including sickness), who occupied official positions or were in a fully excepted status, shall be termed "Protected Employees" as of the date of termination of leave of absence or date of return from official position or excepted status; and shall, subsequent to that date, be continued in compensated service with the Carrier as hereinafter provided until such time as they leave the service of the Carrier by natural attrition.

(d) For the purpose of this Agreement, the term "natural attrition" is defined to mean a Protected Employee leaving the service by reason of retirement, resignation, death, discharge for cause, or dismissal for noncompliance with the terms of the Union Shop Agreement.

Section 2.

In the event of a decline in the Carrier's business in excess of 5% in net revenue ton miles in any calendar month compared

the Carrier, and these two, if unable to agree within 30 days upon a valuation, shall endeavor by agreement within 10 days thereafter to select a third appraiser, or to agree to a method by which a third appraiser shall be selected, and failing such agreement, either party may request the National Mediation Board to designate within 10 days a third appraiser whose designation will be binding upon the parties. A decision of a majority of the appraisers shall be required and said decision shall be final and conclusive. The salary and expenses of the third or neutral appraiser, including the expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the compensation of the appraiser selected by such party.

ARTICLE X – APPLICATION TO MERGERS,
CONSOLIDATIONS AND OTHER AGREEMENTS

Section 1.

(a) Nothing in this Agreement shall be construed as depriving any employee of any rights or benefits or eliminating any obligations which such employee may have under any existing job security or other protective conditions or arrangements: provided however, that if a protected employee otherwise is eligible for protection under both this Agreement and some other job security or other protective conditions or arrangements, he shall elect between protection under this Agreement and protection under such other arrangement and, for so long as he continues to be protected under the arrangement which he so elects, he shall not be entitled to any protection or benefit (regardless of whether or not such benefit is duplicative) under the arrangement which he does not so elect; and, provided further, that after expiration of the period for which such employee is entitled to protection under the arrangement which he so elects, he may then be entitled to protection under the other arrangement for the remainder, if any, of his protective period under that arrangement. There shall be no duplication or pyramiding of benefits to any employees, and the benefits under this Agreement, or any other arrangement, shall be construed to include the conditions, responsibilities and obligations accompanying such benefits.

(b) Protected employees under the BN-BRAC Protective Agreement of November 17, 1967 and the BN-TCU Protective Agreement of January 18, 1968 will be considered as having elected to retain such protection unless they make written election to be covered by this Agreement. Such employees will retain protection under their applicable merger agreement regard-



Box 1176, Helena, Montana

JAMES W. MURRY
EXECUTIVE SECRETARYZIP CODE 59624
406/442-1708TESTIMONY OF JIM MURRY ON HOUSE BILL 504 BEFORE THE HOUSE COMMITTEE ON LABOR AND
EMPLOYMENT RELATIONS, FEBRUARY 2, 1983

I am Jim Murry, executive secretary of the Montana State AFL-CIO. I am here today in support of House Bill 504. This bill seeks to clarify the railroad employee protection act by providing these employees with protection in the event of a consolidation or centralization, as well as a closure.

The 1973 legislature enacted Section 69-14-1001, which states:

"Whenever any railroad, as defined in 69-14-101, is granted the authority to close a railroad station or facility by order of the commission, the commission shall require employee protection. Before the commission may approve closure of a station or facility, it shall require from the railroad an agreement to protect employees affected by the closure by providing jobs equal in nature and pay to the job held by the employee for the six months prior to the closure. The equal job and pay agreement must be in effect for a period of 4 years, or in the alternative, the number of years the employee has been employed prior to closure, whichever is shorter."

The Montana Public Service Commission during the years between 1973 and 1980 did require the railroad to comply with this provision of the law when consolidations and centralizations were authorized. Currently, the Commission is applying that provision of the law only to station closures. In our view, whether a railroad applies for a closure, consolidation or centralization, if the net effect is that a station or facility is shut down, legislative intent is that employees should be provided protection. This bill gives the Public Service Commission clear legal authority to require employee protection for consolidations or centralizations.

The Montana State AFL-CIO is deeply concerned at actions by Burlington Northern and adopted two resolutions at our 1982 annual convention which oppose, "the closure of any railroad facility and supports union efforts at Public Service Commission hearings to prevent such closures, and should any closures occur, insists on full compliance with the employee protection act by Burlington Northern . . ."

The resolutions also note that these shutdowns cause the loss of jobs and the discontinuance of vital rail services to Montana rail customers, and that there is a danger that BN may eventually do away with all train service, irrevocably damaging the Montana economy.

As you can see, the Montana State AFL-CIO is opposed to the closure of any railroad facility, whether it is termed closure, consolidation or centralization. But if any facility is shut down, we insist on protections for those railroad employees.

We urge your support for House Bill 504.

Thank you.

STANDING COMMITTEE REPORT

February 3, 1983

MR. **SPEAKER:**

We, your committee on **LABOR AND EMPLOYMENT RELATIONS**

having had under consideration **HOUSE** Bill No. **504**

First reading copy (**white**)
color

**A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE JOBS TO RAILROAD
EMPLOYEES AFFECTED BY THE CONSOLIDATION OR CENTRALIZATION OF
RAILROAD STATIONS AND FACILITIES; AMENDING SECTION 69-14-1001, MCA."**

Respectfully report as follows: That **HOUSE** Bill No. **504**

~~DO PASS~~

1983

LEGISLATIVE SESSION

COMMITTEE ON Senate Highways and Transportation

BILL NO.	ENTERED COMM.	DATE CONSIDERED	OUT OF COMM.	DO PASS DATE	DO NOT PASS DATE	DO PASS AS AMEND. DATE	BE CON- CURRED IN DATE	BE CONC. IN AS AMENDED DATE	BE NOT CON- CURRED IN DATE
HB7	2/2/83	2/10/83	2/15/83				2/15/83		
HB9	2/15/83	3/17/83	3/22/83				3/22/83		
HB32	1/20/83	1/27/83	2/1/83						2/1/83
HB87	1/19/83	1/25/83	1/25/83				1/25/83		
HB98	1/25/83	2/1/83	2/1/83				2/1/83		
HB198	2/1/83	2/8/83	2/15/83						2/15/83
HB205	2/1/83	2/8/83	2/17/83				2/17/83		
HB236	1/28/83	2/3/83	2/3/83				2/3/83		
HB353	2/7/83	2/17/83	2/17/83				2/17/83		
HB397	2/9/83	2/17/83	2/17/83	TABLED IN COMMITTEE					
HB408	2/2/83	2/10/83	2/15/83					2/15/83	
HB437	2/12/83	3/3/83	3/10/83					3/10/83	
HB441	2/17/83	3/10/83	3/10/83					3/10/83	
HB479	3/1/83	3/22/83	3/22/83						3/22/83
HB488	2/12/83	3/1/83	3/1/83					3/1/83	
HB504	2/11/83	3/8/83	3/10/83					3/10/83	
HB539	2/12/83	3/3/83	3/8/83					3/8/83	

MINUTES OF THE MEETING
HIGHWAYS AND TRANSPORTATION COMMITTEE
MONTANA STATE SENATE

March 8, 1983

The meeting of the Highways and Transportation Committee was called to order by Committee Member Roger Elliott on March 8, 1983 at 1:15 p.m. in Room 410, State Capitol.

ROLL CALL: Roll was called with Senator Etchart and Senator Hager excused. Senator's Elliott, Shaw, Tveit, Graham, Stimatz were present. Senator D. Manning was absent. Senator Daniels was absent. Senator Etchart arrived at 1:20 p.m.

HOUSE BILL NO. 504: Hearing commenced on House Bill No. 504, introduced by Representative Zobrochi. House Bill No. 504 is submitted for your approval, which would more clearly define the distinction between station facility closures when a railroad applies to remove their depot buildings, docks, warehouses, and appurtenant structures.

During 1982 Burlington Northern made application to consolidate, or centralize over 60 railroad stations in Montana. Their applications before the Montana Public Service Commission requested removal of depots, public docks and other depot facilities. They alleged that such removals are not station closures, but merely consolidations with distant centralized agencies. One could assume that they could allege that Seattle, or St. Paul is a centralized railroad facility even though it is in another state, and consolidate all Montana railroad station facilities, removing the structures to satisfy the intent of section 69-14-1001 MCA. Such arguments would relocate over 100 station agents into another state and leave the employees without the protections accorded in this law. Thereby impacting the Montana economy with the loss of over \$2,000,000 in payroll earnings. House Bill 504 is intended to define the meaning of closure whenever a railroad removes its station facilities from its right of way. I hope that this committee will pass this legislation in the public interest of Montana, and the protection of its railroad agents who staff these facilities.

James T. Mular, State Legislative Director, BRAC, on behalf of the United Transportation Union, Brotherhood of Maintenance of Way Employees, Brotherhood of Locomotive Engineers, spoke in support of House Bill No. 504. Our organization supports the amendments contained in House Bill No. 504; which clearly defines a railroad station closure - whenever a railroad consolidates, or centralizes station facilities.

Mr. Mular said in 1973 the Montana Legislature enacted Section 69-14-1001 MCA, giving Montana railroad station employees wage protection as a condition precedent to any Public Service

Commission's closure order. The 1973 legislation was patterned after Section 5 (2) (f) of the Interstate Commerce Act, commonly referred to as the Washington Job Protection Agreement covering railroad employees affected by railroad mergers, consolidations, and abandonments.

Mr. Mular said from 1973 to 1980, the Montana Public Service Commission did in fact authorize station consolidations and centralizations. For example, B.N. created mobile agencies, a concept that involved several stations to be serviced directly by a mobile van, with office facilities, and general station accounting capabilities. Whenever the Commission ordered this concept into operation, they allowed the railroad to remove the fixed station facilities, and subjected the carrier to pay wage protection in compliance with Montana law. Thus, a senior agent who was required to displace junior employees through the domino effect kept his rate of pay, and the junior employee who suffered wage loss was protected by the Montana law, up to four years.

Mr. Mular said then the B.N. - Frisco lines merger was consummated December 1, 1980. For example, the most recent application to consolidate agency service was docketed January 19, 1983. In this application, B. N. seeks to consolidate Opheim, Glentana, Richland, Peerless, and Four Buttes, with Scobey, Montana. (Docket T-6952) and to consolidate Froid, Homestead, Medicine Lake, Reserve, Antelope, Redstone, and Flaxville with the agency at Plentywood, Montana. (Docket T-6954)

The application further requests that B.N. be authorized to dispose of or otherwise remove the station facilities, which encompasses public dock and tracks, warehouse and depot, and other fixed appurtenances. In 1983 the present Commission took the position that it has no authority to impose wage protection to any employee affected by a consolidation whose position is jeopardized through the domino theory of seniority displacement by a senior agent over a junior employee, even though previous Commissions extended wage protection to any employee who was displaced under seniority options made by a Station Agent. That case is now being appealed. Obviously the Public Service Commission interprets existing law as that applicable to any railroad who applies for authority to close a station and uses that word in the application.

We submit to this Committee, that whenever a railroad seeks to consolidate station facilities, and removes its fixed plant that such transaction is a closure within the purview of Section 69-14-202 MCA, which requires railroads doing business in Montana to maintain and staff facilities in communities of 1,000 or more inhabitants, and at least one in each county

where the railroad operates. Any removal of these facilities constitutes a departure from the Montana statute that we have cited.

We are before this Committee seeking a more clearly defined meaning of closure which is contained in House Bill No. 504. The amendments shown in this bill would clarify to include any type of consolidation or centralization, and retain Montana rail station operations according to our state laws.

Montana railroads are attempting to consolidate or centralize their station facilities and operations outside our state borders. This is indicative of B.N.'s recent application to consolidate agency services at Bainville, Montana, with Williston, North Dakota.

Mr. Mular said should this application be granted by the PSC a dangerous precedent is created for subsequent station consolidations, which would require our junior Montana employees to re-locate in other states whenever a station application was authorized by the Commission. And if amendments contained in House Bill No. 504 are not adopted, our junior employees would suffer without any remedy under the present law.

Moreover, withdrawals of station facilities in Montana are not in the public interest. This exodus stifles community economic growth, and impacts a stable employee payroll, which destroys Montana's theme of keeping jobs and people working.

Mr. Mular said we respectfully request that this Committee give a "do pass" to the amendments shown in House Bill No. 504.

Mr. Mular gave each committee member Exhibit 2, and briefly went over them.

Wayne Budt, Public Service Commission, Helena, spoke in support of House Bill No. 504. The Montana Public Service Commission applies Section 69-14-1001, MCA "Protection of employees affected by closure of station or other facility," when the Commission issues a final order allowing a railroad to close a station operated by an agent.

Mr. Budt said the Commission has also applied the Section to provide employee protection when a station agent's position is abolished due to a partial closing. For example, if Station A is dualized with Station B, Station A will only be open part time, and the Station A agent position is abolished. The Station B agent provides service to both Station A and B. The Commission has applied the Section's employee protection in these partial station closings because the

Station A agent has lost his job position.

Mr. Budt said the amendatory language "consolidation or centralization" will clarify the Commission's current interpretation that the Section applies to partial station closings.

The Commission has applied the Section's employee protection to those station agents who worked at the station that has been partially or completely closed, and whose positions were abolished. The amendatory language provides that the employee protection is to be applied to "each employee" affected by the closure, consolidation or centralization. The Commission would interpret the term "each employee" as including more employees than just the agents whose positions are abolished because their stations are being closed, consolidated or centralized.

The Commission will abide by the Legislature's policy decisions on the proposed amendatory language concerning:

(a) Whether or not employee protection should be applied to "each" employee affected by a closure, consolidation or centralization; and,

(b) Where no job exists, whether or not the railroad must pay the affected employee compensation equal to the rate of pay the employee had for six months prior to the closure, consolidation or centralization.

Jim Murry, Executive Secretary of the Montana State AFL-CIO, told the committee they are here today in support of House Bill No. 504. This bill seeks to clarify the railroad employee protection act by providing these employees with protection in the event of a consolidation or centralization, as well as a closure.

Mr. Murry said the 1973 legislature enacted Section 69-14-1001, which states: "Whenever any railroad, as defined in 69-14-1001, is granted the authority to close a railroad station or facility by order of the commission, the commission shall require employee protection. Before the commission may approve closure of a station or facility, it shall require from the railroad an agreement to protect employees affected by the closure by providing jobs equal in nature to pay to the job held by the employee for the six months prior to the closure. The equal job and pay agreement must be in effect for a period of 4 years, or in the alternative, the number of years the employee has been employed prior to closure, whichever is shorter."

Mr. Murry said the Montana Public Service Commission during the years between 1973 and 1980 did require the railroad to

Highways and Transportation

March 8, 1983

Page 5

comply with this provision of the law when consolidations and centralizations were authorized. Currently, the Commission is applying that provision of the law only to station closures. In our view, whether a railroad applies for a closure, consolidation or centralization, if the net effect is that a station or facility is shut down, legislative intent, is that employees should be provided protection. This bill gives the Public Service Commission clear legal authority to require employee protection for consolidations or centralizations.

Mr. Murry said the Montana State AFL-CIO is deeply concerned at actions by Burlington Northern and adopted two resolutions at our 1982 annual convention which oppose, "the closure of any railroad facility and supports union efforts at Public Service Commission hearings to prevent such closures, and should any closure occur, insists on full compliance with the employee protection act by Burlington Northern....."

Mr. Murry said the resolutions also note that these shut-downs cause the loss of jobs and the discontinuance of vital rail services to Montana rail customers, and that there is a danger that BN may eventually do away with all train service, irrevocably damaging the Montana economy.

Mr. Murry said as you can see, the Montana State AFL-CIO is opposed to the closure of any railroad facility, whether it is termed closure, consolidation or centralization. But if any facility is shut down, we insist on protections for those railroad employees. We urge your support for House Bill No. 504.

Mr. Bob Burkes, representing himself told the committee he spent forty years on the BN Railroad and is definitely for this bill. They have closed and moved a lot of offices from Missoula to Billings. It is their idea of making a better railroad out of these moves, and closures. I am retired now, but I have a stake in the railroad and my pension. The BN has laid off in the last three years over 18,000 people and at least 1,000 of them were Montana people. With a 20% loss on railroad employment, there is a lot less money going into the pension fund. I ask your best consideration for House Bill 504.

There were no further proponents.

Mr. Bill Brasher, Billings, MT, representing the Burlington Northern Railroad, and the Montana Railroad Association spoke in opposition to House Bill No. 504. He told the committee he has had the responsibility of filing most of the consolidations and there have been quite a few filed. Once there was a need for personal agents along every stop,

but that is no longer the case. The fact is there is no passenger service or mail service any longer and there is no need for agents at every stop. So what we have come to in the 1980's is a situation where we have many agents that have virtually nothing to do. We have some agents that handle only 2 or 3 or 4 calls per month. That local agent performs ten or fifteen minutes worth of work for each call for a car. An agent who handles only 2,3, or 4 calls per month, simply has nothing to do. He says to me, please find me something to do. He sits by the telephone because of various union agreements and cannot do other work. Lodge Grass has not handled any traffic for over two years. He has not had any business what so ever, but he is paid full days wages. We try to consolidate with another and have him serve both. There has been no discontinuance, no abandonment of lines. Now, with that background, there has been a number of applications to close agencies. Every application has to be approved by the PSC. If the PSC says remain, they must remain. These jobs are protected through the Union representative and negotiation of those rights and benefits. They have received exactly what they bargained for. Now after getting this life time protection, they seem to want more. This is a matter that I think should be left at the Bargaining Table. Both sides have bargained in good faith. The BN pays out more than \$200,000 a month in guaranteed protection under these agreements.

William J. Palm, Burlington Northern Railroad, Laurel, MT., spoke in opposition to HB504. He stated Burlington Northern Clerical Employees already have almost total salary protection. I want to talk a little bit about what our goal is in station closures, and why we want to do this. We want this to provide better service at a better cost. We want to combine stations and yet provide all services we provided before and do it better. We want to provide 24 hour service and more service. We would be able to keep the stations open 24 hours a day. We would be able to authorize computers. Right now it is too costly to operate computers. If you do this in a centralized area, you could get better rates, faster, more accurately, and reduce the cost of the facility. We would be able to utilize the clerks. Like Lodge Grass, its a waste of manpower. We don't want to keep more than we need. The bill is intended to have job protection. I believe that is because they already have salary protection through collective bargaining. Every clerk is protected in some way or another by collective bargaining. They are guaranteed for life, whether they work or not. As soon as they complete their third year of continuous service, they are fully protected. They will

receive \$90 to \$100 a day at this time to not work. When we merged in 1970 with NP, we had to give something, and we gave the orange book protection to the clerks. It gave every employee at that time full protection. Anyone who was employed at that time got full protection. The orange book for clerks was better, in that people did not have to move. He went over all of the orange book, blue book, and other agreements. See Exhibit 5. He went through these agreements in detail and read from them.

John Greene, representing the Butte, Anaconda & Pacific Railroad Company, said they oppose HB504. I oppose this for some of the same reasons that BN does. We also negotiated. In addition to the Washington Job Protection Benefits, we have general protection for all employees. I believe those benefits these employees have now are adequate and that nothing further needs to be done.

There were no further opponents.

There were no questions from the Committee.

In closing Representative Zobrocki said he did not know why they are talking about Collective Bargaining. Section 1, subsection 2, lines 16 through 20, takes care of collective bargaining. I hope you find favor with this bill. The bill has many sponsors, and I don't think we would have filled it up with sponsors if it was not a good bill.

There being no further discussion, hearing on House Bill No. 504 was closed.

ACTION ON HOUSE BILL NO. 437: Gary Wicks, Department of Highways went over the amendments.

Ben Havdahl, Montana Motor Carriers, passed out Exhibit 6. and explained the amendments further.

Senator Elliott made the motion that the amendments be adopted to HB437. The motion passed unanimously.

Senator Etchart requested that the committee hold this until all members were present for a roll call vote, on House Bill No. 437, as amended.

ACTION ON HOUSE BILL NO. 539: Paul Verdon, Legislative Council reported to the committee that there seemed to be no problem with the Section in question.

Senator Graham presented the committee with amendments, see Exhibit 7.

SENATE COMMITTEE ON HIGHWAYS

Summary of House Bill No. 504

Sponsored by Representative Zobrocki

This bill is intended to guarantee jobs or compensation for railroad employees affected by the "consolidation or centralization" of railroad stations and facilities. The present law requires job guarantees only for "closure of station or other facilities". The amendment requires that if a similar job opening is not available, the employee is entitled to compensation equal to the rate earned by the employee for six months prior to termination.

Prepared by Paul Verdon, Legislative Council

PV/cdf

Page 12 Highway 3/8/83

Exhibit ①

BEFORE THE COMMITTEE
STATEMENT OF KEPR ZABROCK IN SUPPORT OF HB 504

DATE

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE:

HB 504 IS SUBMITTED

FOR YOUR APPROVAL: WHICH WOULD MORE CLEARLY DEFINE THE DISTINCTION BETWEEN

STATION FACILITY CLOSURES WHEN A RAILROAD APPLIES TO R E M O V E THEIR
DEPOT BUILDINGS, DOCKS, WAREHOUSES, AND APPURTENANT STRUCTURES.

DURING 1982 BURLINGTON NORTHERN MADE APPLICATION TO CONSOLIDATE, OR
CENTRALIZE OVER 60 RAILROAD STATIONS IN MONTANA.

THEIR APPLICATIONS BEFORE THE MPSC REQUESTED REMOVAL OF DEPOTS, PUBLIC
DOCKS AND OTHER DEPOT FACILITIES. THEY ALLEGED THAT SUCH REMOVALS ARE
NOT STATION CLOSURES. BUT! MERELY CONSOLIDATIONS WITH DISTANT CENTRALIZED

AGENCIES. ONE COULD ASSUME THAT THEY COULD ALLEGE THAT SEATTLE OR ST. PAUL
IS A CENTRALIZED RAILROAD FACILITY EVEN THOUGH ITS IN ANOTHER STATE, AND
CONSOLIDATE ALL MONTANA RAILROAD STATION FACILITIES, REMOVING THE STRUCTURES
TO SATISFY THE INTENT OF SECTION 69-14-1001 MCA.

SUCH ARGUMENTS WOULD RE-LOCATE OVER 100 STATION AGENTS INTO ANOTHER STATE
AND LEAVE THE EMPLOYEES WITHOUT THE PROTECTIONS ACCORDED IN THIS LAW.

THEREBY IMPACTING THE MONTANA ECONOMY WITH THE LOSS OVER \$2,000,000 IN
PAYROLL EARNINGS.

HB 504 IS INTENDED TO DEFINE THE MEANING OF CLOSURE WHENEVER A RAILROAD
REMOVES ITS STATION FACILITIES FROM ITS RIGHT OF WAY. I HOPE THAT THIS
COMMITTEE WILL PASS THIS LEGISLATION IN THE PUBLIC INTEREST OF MONTANA,
AND THE PROTECTION OF ITS RAILROAD AGENTS WHO STAFF THESE FACILITIES.

Page 13 / Highway / 3/8/83

Exhibit (2)

BROTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYES

440 ROOSEVELT DRIVE R-1

AFL-CIO-CLC

JAMES T. MULAR
State Director
Butte, MT 59701
Phone 406 494 2316

TO: THE HONORABLE MARK ETCHART, CHAIRMAN, AND MEMBERS
OF THE SENATE HIGHWAYS AND TRANSPORTATION COMMITTEE

SUBJECT: STATEMENT OF JAMES T. MULAR, STATE LEGISLATIVE DIRECTOR,
BRAC, ON BEHALF OF THE UNITED TRANSPORTATION UNION,
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES, BROTHERHOOD
OF LOCOMOTIVE ENGINEERS.

RE: HB 504, COMMITTEE HEARING TO BE HELD MARCH 8, 1983

Mr. Chairman, members of the Committee; for the record, my name is James T. Mular -
Legislative Director, Brotherhood of Railway Airlines Clerks. I live at 440
Roosevelt Drive, Butte, Montana. Our organization supports the amendments contained in
HB 504; which clearly defines a railroad station closure - whenever a railroad CONSOLIDATES,
CENTRALIZES station facilities.

In 1973 the Montana Legislature enacted Section 69-14-1001 MCA, giving Montana rail-
road station employees wage protection as a condition precedent to any Public Service
Commission's closure order. The 1973 legislation was patterned after Section 5 (2) (f) of
the Interstate Commerce Act, commonly referred to as the WASHINGTON JOB PROTECTION AGREEMENT
covering railroad employees affected by railroad mergers, consolidations, and abandonments.

From 1973 to 1980, the Montana Public Service Commission did in fact authorize
station consolidations and centralizations. For example, B.N. created mobile agencies,
a concept that involved several stations to be serviced directly by a mobile van, with
office facilities, and general station accounting capabilities. Whenever the Commission
ordered this concept into operation, they allowed the railroad to remove the fixed
station facilities, and subjected the carrier to pay wage protection in compliance with
Montana law. Thus, a senior agent who was required to displace junior employees through
the domino effect kept his rate of pay, and the junior employee who suffered wage loss
was protected by the Montana law, up to four years.

on the B.N. -Frisco lines merger was consummated December 1, 1980. For example, recent application to consolidate agency service was docketed January 19, 1983. application, B.N. seeks to consolidate Opheim, Glentana, Richland, Peerless, and Ates, with Scobey, Montana, (Docket T-6952) and to consolidate Froid, Homestead, Lake, Reserve, Antelope, Redstone, and Flaxville with the agency at Plentywood, a. (Docket T-6954)

the application further requests that B.N. be authorized to dispose of or otherwise the station facilities, which encompasses public dock and tracks, warehouse and and other fixed appurtenances. In 1983 the present Commission took the position it has no authority to impose wage protection to any employee affected by a consolidation whose position is jeopardized through the domino theory of seniority placement by a senior agent over a junior employee, even though previous Commissions ended wage protection to ANY employee who was displaced under seniority options made Station Agent. That case is now being appealed. Obviously the Public Service Commission interprets existing law as that applicable to any railroad who applies for authority to CLOSE a station and uses that word in the application.

We submit to this Committee, that whenever a railroad seeks to consolidate station facilities, and removes its fixed plant that such transaction is a CLOSURE within the view of Section 69-14-202 MCA, which requires railroads doing business in Montana to maintain and staff facilities in communities of 1,000 or more inhabitants, and at least one in each county where the railroad operates. Any removal of these facilities constitutes a departure from the Montana statute that we have cited.

We are before this Committee seeking a more clearly defined meaning of closure which is contained in HB 504. The amendments shown in this bill would clarify to include any type of consolidation or centralization, and retain Montana rail station operations according to our state laws.

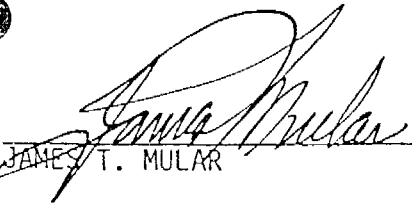
Montana railroads are attempting to consolidate or centralize their station facilities outside our state borders. This is indicative of B.N.'s recent

application to consolidate agency services at Bainville, Montana with Williston, North Dakota.

Should this application be granted by the PSC, a dangerous precedent is created for subsequent station consolidations, which would require our junior Montana employees to re-locate in other states whenever a station application was authorized by the Commission. And if amendments contained in HB 504 are not adopted, our junior employees would suffer without any remedy under the present law.

Moreover, withdrawals of station facilities in Montana are not in the public interest. This exodus stifles community economic growth, and impacts a stable employee payroll, which destroys Montana's theme of KEEPING JOBS AND PEOPLE WORKING.

We respectfully request that this Committee give a "do pass" to the amendments shown in HB 504. Thank you for allowing us to testify.


JAMES T. MULAR

APPENDIX A
PROTECTIVE AGREEMENT

ARTICLE I - PROTECTED EMPLOYEES

Section 1.

(a) All employees subject to the Working Agreement dated May 6, 1980, who are in the service of the Carrier on the effective date of this Agreement, or who are so employed subsequent thereto will become "Protected Employees" subject to the terms of this Agreement as follows:

- (1) Effective with the date of this Agreement for employees who have three (3) or more years of continuous service on that date.
- (2) Effective with the date the employee acquires three (3) years of continuous service for employees with less than three (3) years of service on the date of this Agreement.
- (3) Effective with the date the employee acquires four (4) years of continuous service for employees hired following the effective date of this Agreement.

(b) Protected Employees will be continued in compensated service with the Carrier and will not be placed in a worse position with respect to compensation as hereafter provided until such time as they leave the service of the Carrier by natural attrition.

(c) All employees of the Carrier who have an employment relationship on the effective date of their protection who were on leave of absence (including sickness), who occupied official positions or were in a fully excepted status, shall be termed "Protected Employees" as of the date of termination of leave of absence or date of return from official position or excepted status; and shall, subsequent to that date, be continued in compensated service with the Carrier as hereinafter provided until such time as they leave the service of the Carrier by natural attrition.

(d) For the purpose of this Agreement, the term "natural attrition" is defined to mean a Protected Employee leaving the service by reason of retirement, resignation, death, discharge for cause, or dismissal for noncompliance with the terms of the Union Shop Agreement.

Section 2.

In the event of a decline in the Carrier's business in excess of 5% in net revenue ton miles in any calendar month compared

the Carrier, and these two, if unable to agree within 30 days upon a valuation, shall endeavor by agreement within 10 days thereafter to select a third appraiser, or to agree to a method by which a third appraiser shall be selected, and failing such agreement, either party may request the National Mediation Board to designate within 10 days a third appraiser whose designation will be binding upon the parties. A decision of a majority of the appraisers shall be required and said decision shall be final and conclusive. The salary and expenses of the third or neutral appraiser, including the expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the compensation of the appraiser selected by such party.

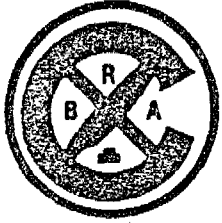
ARTICLE X - APPLICATION TO MERGERS,
CONSOLIDATIONS AND OTHER AGREEMENTS

Section 1.

(a) Nothing in this Agreement shall be construed as depriving any employee of any rights or benefits or eliminating any obligations which such employee may have under any existing job security or other protective conditions or arrangements; provided however, that if a protected employee otherwise is eligible for protection under both this Agreement and some other job security or other protective conditions or arrangements, he shall elect between protection under this Agreement and protection under such other arrangement and, for so long as he continues to be protected under the arrangement which he so elects, he shall not be entitled to any protection or benefit (regardless of whether or not such benefit is duplicative) under the arrangement which he does not so elect; and, provided further, that after expiration of the period for which such employee is entitled to protection under the arrangement which he so elects, he may then be entitled to protection under the other arrangement for the remainder, if any, of his protective period under that arrangement. There shall be no duplication or pyramiding of benefits to any employee, and the benefits under this Agreement, or any other arrangement, shall be construed to include the conditions, responsibilities and obligations accompanying such benefits.

(b) Protected employees under the BN-BRAC Protective Agreement of November 17, 1967 and the BN-TCU Protective Agreement of January 18, 1968 will be considered as having elected to retain such protection unless they make written election to be covered by this Agreement. Such employees will retain protection under their applicable merger agreement regard-

Exhibit 2
Page 16 / Highway / 3-8-83



BROTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP CLERKS, FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES

440 Roosevelt Drive RR 1

AFL-CIO-CLC

ARTCRAFT, BUTTE

JAMES T. MULAR

State Director

Butte, MT 59701

Phone 406-494-2316

TO:

SUBJ: LEGISLATIVE AUDIT COMMITTEES DECISION TO SUN SET THE
PUBLIC SERVICE COMMISSIONS AUTHORITY OVER RAILROAD
STATION FACILITY CLOSURES (Section 69-14-202 MCA and RAIL
EMPLOYEE SAFETY LAWS.

DEAR

From December 1981, thru December 1982, the following station closures, and
facility removals were requested by Burlington Northern Railroad Company (BN-RC)

TROY, FORTUNE, BROWNING, ST. REGIS, CHOTEAU, CARTER, PORTAGE, BELT,
DARBY, KEVIN, SUNBURST, GALATA, DEVON, LORING, WHITEWATER
WAGNER, DODSON, POPLAR, KALISPELL, WIBAUX, LODGE GRASS, BRIDGER,
BROADVIEW, RAPELJE, COLUMBUS, BIG TIMBER, BOZEMAN, BELGRADE,
MANHATTAN, THREE FORKS, HARRISON, EAST HELENA, PHILLIPSBURG,
FRAZER, SACO, NASHUA, AND HINSDALE, MONTANA.
RICHEY, LAMBERT, FAIRVIEW, BROCKWAY, CIRCLE, TERRY, WHITEHALL,
TWIN BRIDGES, SHERIDAN, ALDER, TRIDENT, TOSTON, and TOWNSEND. A
total of fifty stations.....

Presently the Montana Public Service Commission has jurisdiction over the main-
tenance and staffing of railroad facilities. (Section 69-14-202 M.C.A.) Railroads doing
business in Montana must maintain and staff station facilities in communities of a
1,000 or more inhabitants, and at least one station facility in each county where they
operate. Preferably the County Seat. The foregoing stations that did not meet the
thousand population criterion, became vulnerable to closure.

Pursuant to Montana law, the Commission ordered the following stations remain
open: (Sec. 69-14-202 MCA)

TROY (over 1M pop) BROWNING (over 1M pop) CHOTEAU (over 1m pop & County
Seat) FAIRVIEW (over 1M pop) CIRCLE (County Seat) TERRY (County Seat)
BIG TIMBER (over 1M pop & County Seat) WIBAUX (County Seat) WHITEHALL
(Last Station in Jefferson City) COLUMBUS (over 1M pop & county seat)
PHILLIPSBURG (Granite County seat over 1M pop) BRIDGER (last station in
Carbon County)

Stations ordered to remain open with less than one thousand population:

FALLON (remain open during sugar beet harvest 6 weeks)
DARBY (BN withdrew application requesting dismissal)

Stations ordered closed with less than 1,000 inhabitants:

(more reverse side)

**BROTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYES**

440 Roosevelt Drive R.R. #1
23-February-83

AFL-CIO-CLC



JAMES T. MULAR
State Director
P. O. Box 3084
Butte, MT 59701
Phone 406-494-2316

TO: THE MONTANA PUBLIC SERVICE COMMISSION
1227 Eleventh Avenue, Helena, Mt. 59620

RE: IN THE MATTER OF BURLINGTON NORTHERN RAILROAD COMPANYS
Applications to Consolidate Opheim and Glentanna, Montana
Dualized agency, its Richland and Peerless, Montana dualized
agency, and the agency at Four Buttes with applicants
agency at Scobey, Montana.

RE (a) P.S.C. Docket No. T-6952 Svc Date 18-Jan-83

RE (b) IN THE MATTER OF BURLINGTON NORTHERN RAILROAD COMPANYS
Application to consolidate Froid and Homestead, Montana
Dualized Agency, Medicine Lake, Reserve and Antelope,
Montana, dualized agency, and Redstone and Flaxville,
Montana dualized agency with Applicant's agency at
Plentywood, Montana.

Re: (c) P.S.C. Docket No. T-6954 Svc. Date 18-Jan-83

GREETINGS:

Notice is hereby given that the above captioned organization opposes
applicants petition cited in the above reference matter. We allege
that our class and craft may be adversely affected should the application
be granted.

Wherefore, we respectfully request the Commission conduct public hearings
at Opheim and Scobey, Montana with respect to P.S.C. Docket T-6952.
And public hearings in Medicine Lake and Plentywood, Montana regarding
Docket T-6954.

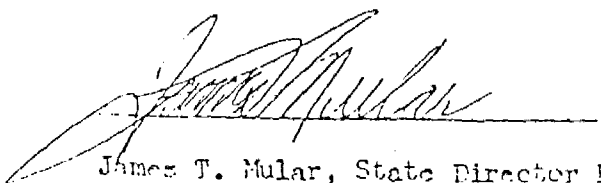
Protestant further requests that the Commission directs applicant to
provide discovery data and evidence that they intend to present in
the proceedings. Said matters should be mailed to the opponents herein
within a reasonable time pursuant to Section 2-4-602 MCA.

Opponents further request that the Commission provide hearings within
the purview of Section 69-14-202 MCA.

Respectfully submitted,

Cy: Burlington Northern Railroad Co.
First Northwestern Bank Bldg.,
Billings, Montana 59101

Montana Consumer Council
Helena, Montana.


James T. Mular, State Director BEAC

I hereby certify that I have caused to be served first class mail, postage
prepaid, a copy of this protest to the above cited parties on this 23rd
day of February, 1983.



Page 19
Highway
3/8/83

SEN KOLSTAD

Exhibit 2

DEPARTMENT OF PUBLIC SERVICE REGULATION

MONTANA PUBLIC SERVICE COMMISSION

APPLICATION TO ESTABLISH A)
CENTRALIZED CUSTOMER SERVICE)
CENTER AT HAVRE, MONTANA.)

NO. _____

AMENDED PETITION

COMES NOW Applicant, Burlington Northern Railroad Company, and files this its Application to Establish a Centralized Customer Service Center at Havre, Montana, and as grounds therefor would show the following:

I.

Applicant seeks authority to establish a Centralized Customer Service Center at Havre, Montana, to serve patrons at the stations and blind sidings of Havre, Laredo, Box Elder, Harlem, Savoy, Chinook, Zurick, Lohman, Big Sandy, Virgell, Lippard, Chappell, Kremlin, Gildford, Burnham, Fresno, Hingham, Rudyard, Inverness, Joplin, Chester, Beulow, and Tiber, Montana. These stations are currently being served by agencies at Havre, Harlem, Chinook, Big Sandy, Chappell, Chester, and the dualized agencies of Kremlin-Gildford, Hingham-Rudyard, and Inverness-Joplin, Montana, all of which Applicant proposes to discontinue, and to dispose of the depot buildings, except for Havre. Applicant would further show that the blind sidings of Hogeland and Turner are presently handled by the agency at Harlem, Montana, and Applicant proposes to assign these two blind sidings to the agency at Glasgow, Montana, for handling and to dispose of the depot buildings at those two locations.

Page 20
Highway
3/8/83

Exhibit 2

II.

As the basis for this proposal, Applicant would show that establishment of a Customer Service Center at Havre, Montana, will provide improved, more efficient, more economical service to the shipping public. The proposed Customer Service Center will offer increased hours of service to the public at a multi-employee, computer-assisted facility, which will, among other things, expedite car ordering and placement and will provide to the public direct and immediate access to the latest information concerning car location at no extra cost to the public. Applicant's patrons may contact the Customer Service Center direct via a toll-free telephone line, night and day, seven days a week. No patron will be required to travel to Havre to transact business with Applicant, and there will be adequate personnel at Havre to provide personal contact and service to applicant's patrons as needed.

III.

Applicant would further show that the establishment of the Customer Service Center at Havre, Montana, will provide a more efficient rail operation, increased productivity, and will assist in reducing Applicant's operating expenses which, of necessity, must eventually be borne by the shipping public.

WHEREFORE, premises considered, Applicant requests that its Application be granted and that Applicant be granted such other and further relief to which it may be justly entitled.

Page 2!
Highway 3/8/83

Exhibit 2

DATED this 26th day of January, 1983.

BURLINGTON NORTHERN RAILROAD COMPANY

By K. Kent Kooleh
K. KENT KOOLEH
1003 First Northwestern Bank Center
Billings, Montana 59101
(406) 256-4454
Of Attorneys for Applicant

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 26th day of January, 1983, the foregoing Amended Petition was duly served by mail upon the following-named individuals by placing a copy thereof this date in an envelope with postage prepaid and addressed to:

Montana Public Service Commission (original and 6)
1227 - 11th Avenue
Helena, Montana 59620

Montana Consumer Counsel
34 West Sixth Avenue
Helena, Montana 59620

Mr. James T. Mular
440 Roosevelt Drive - RR #1
Butte, Montana 59701

Lester M. Quinto



MONTANA PUBLIC SERVICE COMMISSION

STATEMENT ON HOUSE BILL NO. 504

The Montana Public Service Commission applies Section 69-14-1001, MCA "Protection of employees affected by closure of station or other facility," when the Commission issues a final order allowing a railroad to close a station operated by an agent.

The Commission has also applied the Section to provide employee protection when a station agent's position is abolished due to a partial closing. For example, if Station A is dualized with Station B, Station A will only be open part time, and the Station A agent position is abolished. The Station B agent provides service to both Station A and B. The Commission has applied the Section's employee protection in these partial station closings because the Station A agent has lost his job position.

The amendatory language "consolidation or centralization" will clarify the Commission's current interpretation that the Section applies to partial station closings.

The Commission has applied the Section's employee protection to those station agents who worked at the station that has been partially or completely closed, and whose positions were abolished. The amendatory language provides that the employee protection is to be applied to "each employee" affected by the closure, consolidation or centralization. The Commission would interpret the term "each employee" as including more employees than just the agents whose positions are abolished because their stations are being closed, consolidated or centralized.

Statement of HB 504

Page 2

The Commission will abide by the Legislature's policy decisions on the proposed amendatory language concerning:

- (a) Whether or not employee protection should be applied to "each" employee affected by a closure, consolidation or centralization; and,
- (b) Where no job exists, whether or not the railroad must pay the affected employee compensation equal to the rate of pay the employee had for six months prior to the closure, consolidation or centralization.



Box 1176, Helena, Montana

JAMES W. MURRY
EXECUTIVE SECRETARY

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TESTIMONY OF JIM MURRY ON HOUSE BILL 504 BEFORE THE SENATE COMMITTEE ON
HIGHWAYS AND TRANSPORTATION, MARCH 8, 1983

I am Jim Murry, executive secretary of the Montana State AFL-CIO. I am here today in support of House Bill 504. This bill seeks to clarify the railroad employee protection act by providing these employees with protection in the event of a consolidation or centralization, as well as a closure.

¹⁹⁷³
The ~~1983~~ legislature enacted Section 69-14-1001, which states:

"Whenever any railroad, as defined in 69-14-101, is granted the authority to close a railroad station or facility by order of the commission, the commission shall require employee protection. Before the commission may approve closure of a station or facility, it shall require from the railroad an agreement to protect employees affected by the closure by providing jobs equal in nature to pay to the job held by the employee for the six months prior to the closure. The equal job and pay agreement must be in effect for a period of 4 years, or in the alternative, the number of years the employee has been employed prior to closure, whichever is shorter."

The Montana Public Service Commission during the years between 1973 and 1980 did require the railroad to comply with this provision of the law when consolidations and centralizations were authorized. Currently, the Commission is applying that provision of the law only to station closures. In our view, whether a railroad applies for a closure, consolidation or centralization, if the net effect is that a station or facility is shut down, legislative intent is that employees should be provided protection. This bill gives the Public Service Commission clear legal authority to require employee protection for consolidations or centralizations.

Page 28
Amhurst 3/5/83

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Rule 1. SCOPE

These rules shall govern the hours of service and working conditions of employees engaged in the work of the craft or class of clerical, office, station, tower and telegraph service and storehouse employees as such craft or class is or may be defined by the National Mediation Board.

A. Work now covered by the scope of this Agreement shall not be removed except by agreement between the parties.

B. When and where machines are used for the purpose of performing work coming within the scope of this Agreement, not previously handled by machines, such work will be assigned to employees covered by this Agreement. A change in the equipment used for the performance of such work will not remove such work from the coverage of this Agreement.

C. Positions and work includes the following:

1. Office Managers, Assistant Office Managers, Supervisors of Train Power Operators, Supervisors of COMPASS, Supervisors of Stations and Yards, Supervisors of Freight Equipment, Supervisors of T.C.F., Supervisors of Special Equipment, Network Supervisors and Assistants, Assistant Material Managers and Chief Clerks.

2. Division Accountants, Valuation Accountants, Traveling Accountants, Special Accountants, Accountants, Timekeepers, Junior or Associate Analysts, Programmers, Console Operators, Coordinators of Car and Locomotive Procedures.

3. Car Service Agents, Station Agents, Assistant Station Agents, Agent-Telegraphers, Agent-Telephoners, Telegraphers, Operator-Clerks, Car Distributors and Assistant Car Distributors, Relay Office Managers, and Assistant Managers, Managers-Telegraphers, Wire Chiefs and Assistants, Central Agents, Customer Service Agents, Manager-Wire Chief, Assistant Manager-Wire Chief, Tower and Train Directors, Block Operators, Printer Operators, Telephoners and Telephone Operators, Towermen (including those operating car retarders at Galesburg and Lincoln), Levermen, Centralized Traffic Control Operators (acting upon proper authority) in offices other than Dispatchers' offices.

4. Buyers, Material Department General and Assistant Foreman, Traveling Refrigerator Inspectors, Valuation Inspectors, Material Inspectors, Fuel Inspectors, Tie and Timber Inspectors, Lumber Inspectors, Fruit and Perishable Inspectors, Traveling Storekeepers, Dining Car Storekeepers, Stationery Storekeepers, Local Storekeepers, Traveling Freight Supervisors, Material Supervisors.

5. Clerks, Yard Clerks, Weighmasters, Crew Dispatchers and Assistants, Chief Callers, Clerk Callers, Freight Checkers.

(a) CLERKS: Employees who regularly devote not less than four hours per day to the writing and calculating incident to keeping records and accounts, writing and transcribing letters, bills, reports, statements and similar work, the operation of office mechanical equipment requiring special skill and training, such as typewriters, calculating machines, bookkeeping machines, data processing machines, and other similar equipment. However, such work is covered by this Agreement.

(b) NONCLERICAL: Employees engaged in assorting tickets, waybills, car movement slips, etc.; operating appliances or machines for perforating and addressing envelopes, numbering claims or other papers, adjusting dictaphone cylinders and work of a like nature; gathering or delivering mail or other similar work not requiring clerical ability; office boys, messengers, chore boys, and other employees doing similar work or performing manual work not requiring clerical ability. However, such work is covered by this Agreement.

NOTE: Clerical work occurring in the spread of eight (8) hours shall not be assigned to more than one position not classified as clerical for the purpose of keeping the time devoted to such work by any one employee below four (4) hours per day.

6. Station, platform, warehouse, transfer, dock, team track freight, trucks, and other similarly employed; sealers, scalers, stores, stevedores, callers, loaders, locators, coopers and other similar positions.

7. Storekeepers and Assistants, Material Supervisors and Assistants, Stock Clerks, Storehelpers and Countermen, Chauffeurs, Equipment Operators, Crane and Derrickmen Operators, Storeroom, Stockroom, and Material Handlers and other similar positions.

8. Other Office, Station and Store Department employees such as: Mail and Baggage room employees; Station Helpers; Telephone Switchboard Operators; Office, Station and Warehouse Watchmen without police authority (except those covered by other agreements); Janitors, Matrons, Scrubbers and Cleaners (except those covered by other agreements); Warehouse Foremen; Store Department Foremen; Crane Operators; Station and Platform employees.

Page 29 Appendix 3/8/83

D. The foregoing listing does not restrict inclusion within the scope of this agreement any positions covered by the agreements superseded by this agreement, nor shall the listing be construed to require the transfer of work now being performed by employees not covered by this Agreement to employees covered by this Agreement. An officer or employee not subject to this Agreement may perform any covered work which is incidental to his regular duties.

E. Notwithstanding the foregoing list of positions, these rules do not apply to:

1. Individuals to whom amounts of less than one hundred dollars (\$100.00) per month are paid for special service which only takes a portion of their time from outside employment or business;
2. Positions in hotels, restaurants and eating houses;
3. Positions other than clerical or office force on coal and ore docks, elevators, piers, wharves or other waterfront facilities;
4. Draftsmen, blueprinters, tracers and incumbents or other positions requiring professional, civil or mechanical engineer skill or training;

5. Positions occupied by employees not represented by the Brotherhood of Railway and Airline Clerks prior to the date of consummation of the Burlington Northern merger.

F. 1. In instances where jurisdictional disputes arise under the circumstances set forth in items (a) and (b) below, the Carrier may suspend the application of these rules to the specific positions involved pending a determination of the respective craft or class and/or a determination or certification of representation rights is made. If an individual employee represented by the Brotherhood of Railway and Airline Clerks is assigned to perform the work of an involved position pending a determination of craft or class or certification, his hours of service and working conditions will be governed by these rules.

(a) When positions listed above are also included within the scope of an agreement dated prior to June 30, 1968 to which some other organization is a party and such positions are located at a point common to more than one of the individual component lines of the Burlington Northern merger, and

(b) When positions listed above also are included within the scope of an agreement dated prior to June 30, 1968

to which some other organization is party and such positions are local to the individual component line of the Burlington Northern merger where such positions were included within the scope of such other agreement.

G. TRAIN ORDER, COMMUNICATIONS AND LINE UP PROVISIONS.

1. Changes in the method of performing the work covered by this agreement, including the handling of train orders or communications of record, shall not operate to remove the work from coverage of this agreement.

2. No employee other than covered by this schedule and train dispatchers will be permitted to handle train orders at telegraph or telephone offices where an operator is employed and is available, or can be promptly located, except in an emergency, in which case the Telegrapher will be notified and will be paid for a call. (See Mediation Agreement A-546):

(MEDIATION AGREEMENT A-546)

(a) At points where Telegraphers are employed, train dispatchers will not be required or permitted to transmit train orders or handle block by telephone or telegraph direct to train and engine service employees except in emergency; nor will train and engine service employees be required or permitted to call dispatcher or a Telegrapher at another station for the purpose of taking train orders or to block trains except in emergency.

(b) At points where there is no Telegrapher employed, train and engine service employees will not be required or permitted to block trains; and, other than as provided for in Rule 54 of former CB&Q Conductors and Trainmen's schedules, will not be required or permitted to copy train orders except in emergency.

(c) It is further understood and agreed that:

- (i) telephone conversation about work, and
 - (ii) telephone conversation about probable arriving time of trains, and
 - (iii) at junction points and spur tracks where Telegraphers are not now employed, telephone check on overdue trains will not be construed as a violation of this agreement.
3. In the absence of an emergency, train location lineups

Page 30 Highway 3/8/83

issued to maintenance motor car operators at points where no Telegraphers are employed or where the Telegrapher is not available at the time the lineup is to be issued, will be secured by the maintenance employee from the nearest on-duty Telegrapher with company telephone or other authorized means of instant communication.

4. When employees not covered by this agreement are required to handle train orders at a location where employees covered by this agreement are not on duty any portion of the day or night, the senior Telegrapher working at the nearest location to the point where the train order is handled shall be notified and allowed a two-hour call at the minimum Telegraphers' rate applicable on the seniority district for each occurrence.

5. See Appendix M for handling of train orders and communications on Frisco Region.

NOTE: Emergency as used in this rule is defined as follows: Storms, fogs, casualties, accidents; obstructions caused by wrecks, washouts, high water, slides and snow blockades; unusual delay due to failure of fixed signal to clear; unusual delay to trains due to hot boxes, engine or other equipment failures, and break-in-twins, or other unforeseen situations where life or property may be in jeopardy, requiring immediate attention, which could not have been anticipated when train was at previous telegraph office and which would result in serious delay to trains.

Rule 2. NON-DISCRIMINATION

A. The parties to this agreement pledge that there will be no discrimination against any employee because of race, color, creed, national origin or sex. This obligation to not discriminate in employment includes, but is not limited to placement, upgrading, transfer, demotion, rates of pay or other forms of compensation, selection for training including apprenticeship, lay-off or termination.

B. The use of such words as "he", "his" and "him", as they appear in such agreements, are not intended to restrict the application of the agreements or a particular rule to a particular sex but are used solely for the purpose of grammatical convenience and clarity.

Rule 3. EXCEPTIONS

Clerical positions and incumbents thereof in the following departments are subject only to the application of Rules 1, 2, 3, 4-C, 15, 68 and 78.

APPENDIX G-1 MULTIPLE STATIONS AGREEMENT

When a change involving the abolishment of regular assignments is to be made, which contemplates employees will be required to work at more than one office and/or station, at least ninety days' written notice shall be given to the General and Local Chairmen involved.

If an employee vacates the position before the expiration of the 90 days, and such move requires a change in residence, the "employee" will be entitled to applicable moving and real estate benefits. The position may be abolished after vacated by regular employee; or filled from the extra board or rebulletined, if needed on an interim basis.

APPENDIX G-2 PATTERN AGREEMENT FOR DUALIZATION AND/OR TRIPLIZATION MEMORANDUM OF AGREEMENT Between BURLINGTON NORTHERN INC. and its Employees Represented by the BROTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP CLERKS, FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES

With respect to the consolidation of agency positions, commonly referred to as dualization and/or triplization,

IT IS AGREED THAT:

1. Effective on or after _____, if agency positions at _____ and _____ consolidated, the consolidated agency position will be protected by one of the incumbents of the involved positions. In the event

Page 31
Highway
3/5/83

that the senior regularly assigned employee does not desire to retain the consolidated position, and/or the next senior if more than two regularly assigned employees are involved, then the junior regularly assigned employee involved will be assigned there-to. Failure of the senior employee to retain the positions, will not prejudice the participation in paragraph 5 below.

2. If the occupant of the consolidated position uses his private automobile, he will be paid a per-mile allowance consistent with company policy as provided in Rule 44, for actual miles traveled in the performance of his duties; such travel time to be during the assigned working hours. In the event he is unable to reach an away-from-home station or stations on any day due to conditions beyond his control, or is unable to maintain his schedule because of business requirements at any station, there will be no criticism, discipline or loss of pay sustained. If unable to return to headquarters on any day, actual necessary expense for meal and lodging will be allowed.

3. Automatic heating facilities will be provided in the offices of the consolidated stations.

4. The basic rate of pay for each dualized position shall be fifteen cents per hour above the higher basic rate of either of the two single stations involved; the basic rate of pay for each triplized position shall be twenty-five cents per hour above the highest basic rate of any of the three single stations involved. Such adjusted rates shall apply only during the period such position continues in a dualized or triplized status.

5. (a) Any employee required to transfer to a new point of employment as a result of the changes made herein will be entitled to the moving and real estate benefits of the Schedule Agreement or Protective Agreement applicable to him.

(b) If the senior employee or employee regularly assigned to the stations involved in the consolidation do not retain the consolidated position, each shall be subject to the moving and real estate benefits of the Schedule Agreement or Protective Agreement applicable to him; provided there are no other positions available to him within 30 normal travel route miles from his residence; and provided that the new work location is not closer to the employee's place of residence. The employee assigned under paragraph 1 above shall not be entitled to such benefits under this agreement, and the employee assigned on an interim basis to fill any of the affected positions vacated prior to the effective date of the consolidation will be placed on the extra board upon the expiration of such interim service. If bulletined,

such interim positions will be advertised with a suitable notation to identify their nature and the fact that benefits of this agreement are not applicable thereto.

This agreement does not modify or in any manner affect Schedule rules or the Protective Agreements, except as specifically provided herein.

Dated at St. Paul, Minnesota, this _____ day of _____, 1980.

For: BROTHERHOOD OF
RAILWAY, AIRLINE AND
STEAMSHIP CLERKS

For: BURLINGTON
NORTHERN INC.

General Chairman
Assistant to Vice President—
Labor Relations

Vice General Chairman

Vice General Chairman

APPENDIX G-3

PATTERN AGREEMENT FOR

TRAVELLING OR MOBILE AGENT IN CHARGE

MEMORANDUM OF AGREEMENT

between

BURLINGTON NORTHERN INC.

and its Employees Represented by the

BROTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP

CLERKS, FREIGHT HANDLERS, EXPRESS AND

STATION EMPLOYEES

With respect to the consolidation of a number of agency positions with a Travelling or Mobile Agent in charge;

IT IS AGREED THAT:

1. Effective on or after _____, if agency

positions at _____ and _____ are

consolidated with a Travelling or Mobile Agent in charge, head-

quartered at _____, there shall be

a full-time employee covered by the scope of the Brotherhood

of Railway and Airline Clerks Working Agreement at the station designated as headquarters in addition to the Mobile Agent provided for herein.

2. The mobile agency position will be protected by one of

the incumbents of the involved positions. In the event that the

senior regularly assigned employee and/or the next most senior in

turn does not desire to retain the mobile agency position, then

the junior regularly assigned employee involved in the consolidation

will be assigned thereto. Failure of the senior employee to

retain the position will not prejudice their participation in paragraph 6 below.

3. Suitable equipment for highway transportation in the

form of a mobile office equipped with two-way radio and air

conditioning will be furnished by the Carrier for the Travelling

Agent together with credit card to cover cost of maintenance

and operation.

4. In the event the Travelling Agent is unable to reach the

away-from-home stations on any day due to conditions beyond

his control, or is unable to maintain his schedule because of business

requirements at any location served, there will be no criticism,

discipline or loss of pay sustained. Travel time required on

company business shall be considered as working time. He shall

be reimbursed for meal and lodging expense incurred where

necessary while away from headquarters.

5. The basic rate of pay for the Travelling Agent position

will be fifty cents (\$0.50) per hour above the highest basic rate

of any of the single stations involved. The basic rate of pay of

the headquarters position referred to in paragraph 1 above will

be twenty-five cents (\$0.25) per hour above its current basic rate.

Such adjusted rates shall apply only during the period such positions

continue in a mobile agency and headquarters status.

6. (a) Any employee required to transfer to a new point of

employment as a result of the changes made herein will be entitled

to the moving and real estate benefits of the Schedule Agreement or Protective

Agreement applicable to him, provided there is no other position

available to him within thirty (30) normal travel route miles

from his residence, provided, however, that the new work location

Page 32
Requising 3/8/83

Page 33 *Amalgam* 3/8/83

tion is not closer to the employee's place of residence; it being the further intent that the employee assigned under paragraph 1 above shall not be entitled to such benefits provided under this agreement, and that employees assigned on an interim basis to fill any of the affected positions vacated prior to the effective date of the consolidation will be placed on the extra board upon the expiration of such interim service. If bulletined, such interim positions will be advertised with a suitable notation to identify their nature and the fact that benefits of this agreement are not applicable thereto.

This agreement does not modify or in any manner affect Schedule rules or the Protective Agreements of _____ except as specifically provided herein.

Dated at St. Paul, Minnesota, this _____ day of _____, 1980.

FOR: BROTHERHOOD OF
RAILWAY, AIRLINE AND
STEAMSHIP CLERKS
FOR: BURLINGTON
NORTHERN INC.

General Chairman
Assistant to Vice President—
Labor Relations

Vice General Chairman

Vice General Chairman

APPENDIX G-4

PATTERN AGREEMENT FOR
CENTRALIZED AGENCY SERVICE
MEMORANDUM OF AGREEMENT
Between
BURLINGTON NORTHERN INC.
and its Employees Represented by the
BROTHERHOOD OF RAILWAY, AIRLINE AND STEAMSHIP
CLERKS, FREIGHT HANDLERS, EXPRESS AND
STATION EMPLOYEES

Should the Carrier elect to establish Centralized Agency Service headquartered at _____, to perform the station service requirements presently being performed at _____ and such Centralized Agency Service resulted in the abolishment of the existing positions and requires the establishment of additional positions at the Headquarters Point, the additional positions shall be filled in the following manner:

(a) If any of the additional positions is that of Traveling Agent-Telegrapher(s), it will be filled by one of the regularly assigned incumbents of the abolished positions in seniority order. Should the senior qualified, regularly assigned employee(s) not desire the traveling position, then the junior regularly assigned incumbent(s) of the abolished positions will be assigned thereto.

(b) Necessary equipment for transportation of the Traveling Agent-Telegrapher will be furnished by the Carrier; however, if the Traveling Agent-Telegrapher has an automobile which he is willing to use and the Carrier authorizes him to use said automobile, he will be paid a per-mile allowance consistent with company policy, as provided in Rule 44, for each mile required to travel in carrying out his assignment.

(c) In the event the Traveling Agent-Telegrapher is unable to reach away-from-home stations on any day service is required due to conditions beyond his control, there will be no criticism, discipline or loss of pay sustained. Travel time required on company business shall be considered as working time. He shall be reimbursed for meal and lodging expenses incurred while away from headquarters.

Page 34 Agreement 3/8/83

(d) The basic rate of pay for Traveling Agent-Telegrapher will be \$5.00 per hour above the highest basic rate of any of the single stations he is required to service exclusive of his headquarters point.
 (e) The basic rate of pay for the positions established at the headquarters point will be consistent with the rates of pay for the positions in effect at all other centralized agencies on the carrier.

11. Positions at the headquarters point will be filled by regularly assigned incumbents of the abolished positions in seniority order. Should the senior qualified, regularly assigned employee(s) not desire any of such positions, then the junior regularly assigned incumbent(s) of the abolished positions will be assigned thereto.

111. (a) Any employee required to transfer to a new point of employment as a result of the changes made herein will be entitled to the moving and real estate benefits of the Schedule Agreement or Protective Agreement applicable to him, subject to the provisions contained therein.

(b) In the event additional positions are established, as set forth in Articles I and II above, and the senior employee(s) regularly assigned to one of the positions to be abolished does not elect to fill a Centralized Agency position, he shall be subject to the moving and real estate benefits of the Schedule Agreement or Protective Agreement applicable to him, provided there is no other position available to him within 30 normal travel route miles from his residence, provided, however, that the new work location is not closer to the employee's place of residence.

(c) Employees assigned on an interim basis to fill any of the affected positions vacated prior to the effective date of the centralization will be placed on the extra board at the expiration of such interim service. If bulleted, such interim positions will be advertised with suitable notation to identify their nature and the fact that the benefits of this agreement are not applicable thereto.

This agreement does not modify or in any manner affect Schedule rules or the Protective Agreement, except as specifically provided herein.

Dated at St. Paul, Minnesota, this _____ day of _____, 1980.

For: BROTHERHOOD OF
RAILWAY, AIRLINE AND
STEAMSHIP CLERKS

General Chairman

Vice General Chairman

Vice General Chairman

For: BURLINGTON
NORTHERN INC.

Assistant to Vice President—
Labor Relations

Page 35
Highway 3/8/83

Rule 5. SENIORITY DISTRICTS

The following seniority districts are hereby established in which employees covered by seniority rosters may exercise their seniority. Seniority districts established hereby shall be continued unless and until changed by mutual agreement between the management and the General Chairman.

1. WESTERN SENIORITY DISTRICT: Westward from and including Hesper but not including Bainville; and from and including Hesper and Livingston.

2. NORTHERN SENIORITY DISTRICT: Ashland, Wisconsin, St. Croix Tower and Sioux City westward to and including Ophelim, Bainville and to but not including Hesper and Livingston; and excluding St. Paul General Offices.

3. ST. PAUL GENERAL OFFICES.

4. CENTRAL SENIORITY DISTRICT: Westward from the Missouri River, Iowa-Nebraska and Iowa-Missouri borders, including the C&S Railroad, to but not including Hundley and Fromberg; and including Council Bluffs, Pacific Junction, and the line from Omaha to Mile Post 64.03 west of St. Joseph, Missouri and the Savanna Skidmore and Westboro Spur Tracks, but excluding Atchison and Leavenworth.

5. NORTHEASTERN SENIORITY DISTRICT: Chicago, including the Chicago Regional Offices, northward to but not including St. Croix Tower, southward to but not including West Alton, Missouri and East Alton, Illinois, southward to Centuria, Illinois and Paducah, Kentucky, westward to Missouri River, Iowa-Nebraska and Iowa-Missouri borders, but not including Belvidere, Missouri and Hillsdale, Kansas, excluding Council Bluffs and Pacific Junction; and including Atchison and Leavenworth.

6. FRISCO SENIORITY DISTRICT: St. Louis, Missouri, including the former St. Louis General Office Building, northward to and including West Alton, Missouri and East Alton, Illinois, and the entire former S.L.-S.F. (including the Springfield Region Office Building) and O.A.&P. Railroad, excluding only Kansas City Terminal.

NOTE 1: The foregoing seniority districts will be established on the date of the consummation of the merger and employees whose names appear on pre-existing seniority rosters will acquire seniority in the new districts listed above.

A separate seniority roster shall be maintained for each seniority district.

The names of all employees who have a seniority date including those not regularly assigned in the craft or class represented by the (Organization) on the date of consummation of the merger shall be placed on such new seniority rosters as follows:

(a) The name of each employee shall be placed and dovetailed in seniority order on that new roster which includes his former seniority district. When only part of a pre-existing seniority district is included in a new seniority district and the remainder is included in one or more other new seniority districts, employees shall be placed on that new roster which includes the location where the individual employee was last employed in the craft or class represented by the Organization before the date of the consummation of the merger.

(b) Each employee shall retain the earliest seniority date he held immediately before the date of the consummation of the merger on any roster in the territory included in his new seniority district, which date shall be transferred to and dovetailed on the proper new seniority roster. If two or more employees have the same seniority on the new roster as follows:

(i) If such employees came from the same pre-existing seniority roster, their relative standing as between each other shall remain the same on the new roster.

(iii) If such employees came from different pre-existing seniority rosters, their positions shall be determined by their attained ages, the oldest employee being placed first.

(iii) If placement still cannot be determined under (i) and (ii) above, the tied seniority dates will be determined by drawing lots.

NOTE 2: An employee, whose seniority date is transferred and dovetailed pursuant to this Rule 5, will not be deprived of such other seniority as he may hold on another roster not involved in the same dovetailing.

NOTE 3: With respect to employees working in the Billings-Lairel metropolitan area, which area shall include the area to, but not including the east switch of Livingston, on the date immediately preceding the effective date of this Agreement, the following will govern:

(a) Those holding seniority on the Northern Seniority District

Page 36 *Alphawap* 3/8/83

in accordance with the NOTE appended to Article II of the Clerks' Merger Agreement dated November 17, 1967 will retain their seniority on that Northern Seniority District.

(b) Those holding seniority on the Western Seniority District in accordance with the NOTE appended to Article II of the Clerks' Merger Agreement dated November 17, 1967 will retain their seniority on that Western Seniority District.

(c) Former TCU employees holding seniority on Western District No. 4, pursuant to Rule 4 of the former TCU Working Agreement, working in the Billings-Laurel metropolitan area, on the date immediately preceding the effective date of this Agreement will have their seniority transferred to and dovetailed with the Western Seniority District No. 1, as established in accordance with Rule 5.

(d) Employees subject to this NOTE 3 will have common seniority to positions maintained in the Billings-Laurel metropolitan area, which area shall include the area to, but not including the east switch of Livingston.

(e) New employees in the Billings-Laurel metropolitan area will establish seniority in the Northern Seniority District.

(f) Employees holding seniority on Seniority District No. 7 of Rule 3 of the former Frisco Working Agreement will have their names and seniority dates transferred to and dovetailed with those on a Seniority District nearest their work location.

Rule 6. SENIORITY ROSTERS

A. Seniority rosters of all employees in each seniority district will be revised and posted in agreed upon places accessible to the employees affected during the month of January of each year. Seniority dates credited to employees upon the first roster upon which their name appears will be open for protest as to correctness of such date, for a period of sixty (60) calendar days from the date of posting, and upon proof of error being shown by such employee or his representative, such error will be at once corrected. If no protest is presented within sixty (60) calendar days, the seniority date as so first shown will thereafter be deemed to have been accepted, and no changes will thereafter be made in such seniority date on future rosters, except that any evident errors in revision or reissue of such roster will be corrected to the basis of the last correctly issued roster.

Rule 17. MORE THAN ONE VACANCY

When more than one vacancy or new position exists at the same time, employees shall have the right to bid on any or all of such positions, stating preference. (Nothing in this rule shall be construed to prevent employees bidding on all bid/letted positions, irrespective of whether the position sought is of the same, greater, or lesser remuneration.)

Rule 18. FORCES REDUCED, POSITIONS ABOLISHED

A. When forces are reduced or positions abolished, not less than five (5) working days advance notice, in writing, shall be given to the incumbent, except that:

(1) No notice shall be required under emergency conditions such as flood, snowstorm, hurricane, tornado, earthquake, fire or labor dispute other than as covered by paragraph (2) below, provided that such conditions result in suspension of a Carrier's operations in whole or in part. It is understood and agreed that such force reductions will be confined solely to those work locations directly affected by any suspension of operations. It is further understood and agreed that notwithstanding the foregoing, any employee who is affected by an emergency force reduction and reports for work for his position without having been previously notified not to report, shall receive four (4) hours' pay at the applicable rate for his position. If an employee works any portion of the day he will be paid in accordance with existing rules.

(2) No notice shall be required where a suspension of a Carrier's operations in whole or in part is due to a labor dispute between said Carrier and any of its employees.

B. Incumbents of regular positions and employees displaced will, within fifteen (15) calendar days, designate in writing which junior employee they desire to displace or, at their option, file written request to be placed on the extra list or file written request to displace a junior employee upon any temporary or short vacancy under Rules 9 or 12 for the period of such temporary or short vacancy. (A junior employee thus displaced will be considered as the incumbent of the position up to and including the last shift worked prior to actual physical displacement from such position.) After completion of temporary assignment, employees shall, within ten (10) calendar days, designate in writing which junior employee they desire to displace or, at their option, file written request to be placed on the extra list or file written request to displace a junior employee on any temporary vacancy.

bulletined as such under Rule 9. Notices of abolition of positions and disposition of incumbents thereon will be furnished to the Division Chairman and Local Chairman. Employees failing to comply with this rule will automatically revert to the extra list at the immediate office, station or store from which displaced. C. Employees exercising displacement rights will be allowed to do so without regard to the period of rest, provided they do not work more than one (1) shift in any calendar day. If such seniority is exercised in less than sixteen (16) hours under this rule, hours of service in excess of eight (8) hours in twenty-four (24) hour period shall not be considered overtime under the provisions of Rule 36. Employees exercising displacement rights must notify proper officer so arrangements can be made to notify employees to be displaced before they go off duty.

Rule 19. GIVING UP REGULAR ASSIGNMENTS

A. When the duties of any position are so changed that the occupant cannot satisfactorily perform them, and under certain extenuating circumstances, such as sickness or disability, or other conditions beyond their control, making it impossible for them to continue longer in service on their assigned positions, employees will be allowed to give up their regularly assigned positions and revert to the extra list, provided each such case is mutually agreed to in writing by the proper supervising officer and Local Chairman. In such event, an employee will lose all rights to the position given up, which will then be bulletined as a permanent vacancy under the provisions of Rule 9.

B. Unless so agreed to, employees cannot give up or disqualify themselves for assignments to which they hold bulletined rights on their seniority district and still retain their seniority date, other than as specifically provided in the various agreement rules covering promotion, displacement or abolishment of positions.

Rule 20. FILING APPLICATIONS—
OTHER SENIORITY DISTRICTS

A. Employees filing applications for positions bulletined on other districts or rosters, shall, if they possess sufficient fitness and ability, be given preference on a seniority basis over non-employees and/or employees not covered by this Agreement.

B. Employees voluntarily transferring without their positions from one seniority district to another will acquire seniority on district to which transferred as of date of transfer, and will retain and continue to accumulate seniority on district from

Page 37
Agreement
3/6/83

which transferred. In the event such employees are disturbed on account of force reduction or the exercise of seniority rights, they must exhaust their rights in the new seniority district on the roster employed before being permitted to displace junior employees in the home seniority district. However, an employee will not be required to exercise seniority on a position in the district to which last transferred which pays a lesser rate than the rate applicable to his former position in his home seniority district. In the event they return to the home seniority district, they lose all seniority in the new seniority district. Employees will not acquire seniority in more than two (2) seniority districts, namely, the home seniority district and the seniority district to which last transferred. Employees may bid on bulletined positions in the home district at any time.

Rule 21. TRANSFER OF POSITIONS BETWEEN SENIORITY DISTRICTS

Employees may follow their positions when same are transferred from one seniority district to another. The incumbents shall have prior rights to the positions to be transferred, if they elect to accompany same. Those electing not to follow their position may exercise their seniority rights as per Rule 18 and their positions will be bulletined, first, in the seniority district from which they are to be transferred, and if necessary, second, in the seniority district to which they are to be transferred. Seniority of employees transferred under such circumstances shall be transferred to the new seniority district.

Rule 22. CONSOLIDATIONS OR REARRANGEMENT OF FORCES

When two or more offices in the same Seniority District are consolidated, or an office is divided, or when any change not provided for in this rule is made in Seniority Districts, the exercise of seniority will be arranged by mutual agreement between the Management and General Chairman of the Brotherhood.

Rule 23. VOLUNTARY ABSENCE FROM DUTY

A. Employees shall be granted a reasonable amount of leave of absence when they can be spared. Failure to handle promptly cases involving sickness, or business matters of serious importance to employees may be handled as unjust treatment under this agreement. Except as provided in Rule 25 of this agreement and except in cases of physical disability, leave of absence in excess of

Page 38 *Handwritten* 3/8/83

ARTICLE I - PROTECTED EMPLOYEES

PROTECTIVE AGREEMENT

APPENDIX A

Section 1.

(a) All employees subject to the Working Agreement dated May 6, 1980, who are in the service of the Carrier on the effective date of this Agreement, or who are so employed subsequent thereto will become "Protected Employees" subject to the terms of this Agreement as follows:

- (1) Effective with the date of this Agreement for employees who have three (3) or more years of continuous service on that date.

- (2) Effective with the date the employee acquires three (3) years of continuous service for employees with less than three (3) years of service on the date of this Agreement.

- (3) Effective with the date the employee acquires four (4) years of continuous service for employees hired following the effective date of this Agreement.

(b) Protected Employees will be continued in compensated service with the Carrier and will not be placed in a worse position with respect to compensation as hereafter provided until such time as they leave the service of the Carrier by natural attrition.

(c) All employees of the Carrier who have an employment relationship on the effective date of their protection who were on leave of absence (including sickness), who occupied official positions or were in a fully exempt status, shall be termed "Protected Employees" as of the date of termination or leave of absence or date of return from official position or exempt status; and shall, subsequent to that date, be continued in compensated service with the Carrier as hereinafter provided until such time as they leave the service of the Carrier by natural attrition.

(d) For the purpose of this Agreement, the term "natural attrition" is defined to mean a Protected Employee leaving the service by reason of retirement, resignation, death, discharge for cause, or dismissal for noncompliance with the terms of the Union Shop Agreement.

In the event of a decline in the Carrier's business in excess of 5% in net revenue ton miles in any calendar month compared

with the average of the same calendar month for the preceding two calendar years, the number of protected employees, excluding those whose protective status has been suspended, will be reduced to the extent said decline exceeds 5%. When the number of protected employees is reduced as provided for herein, the junior protected employees will not be entitled to protective benefits. Upon restoration of Carrier's business, employees entitled to protective benefits under this Agreement shall have such rights restored in accordance with the same formula within 15 calendar days.

Section 3.

Notwithstanding other provisions of this Agreement, the Carrier shall have the right to make force reductions under emergency conditions such as flood, snowstorm, hurricane, tornado, earthquake, fire or labor dispute, provided that operations are suspended in whole or in part and provided further that because of such emergencies the work which would be performed by the incumbents of the positions to be abolished or the work which would be performed by the employees involved in the force reductions no longer exists or is not performed. When force reductions so reduced and thereafter operations are restored, employees entitled to preservation of employment must be recalled upon the termination of the emergency. In the event the Carrier is required to make force reductions because of the aforesaid emergency conditions, it is agreed that any decline in net revenue ton miles resulting therefrom shall not be included in any computation of a decline in the Carrier's business pursuant to the provisions of Section 2 of this Article I.

ARTICLE II - COMPENSATION OF PROTECTED EMPLOYEES

Section 1.

(a) Protected Employees who held a regular assignment prior to the date he became a Protected Employee, shall be guaranteed a minimum daily wage equivalent to the daily rate of the last position to which regularly assigned prior to that date. The guaranteed daily rate of pay shall be multiplied by the number of workdays and holidays falling in the semi-monthly pay period and each employee shall receive no less than this amount each pay date.

NOTE: For the purpose of this Agreement only, monthly rates of pay shall be converted into daily rates by multiplying the monthly rate by twelve (12) and dividing the total by two (2).

Page 39 Highway 3/8/83

dred sixty-one (261). Hourly rates of pay shall be converted into daily rates by multiplying the hourly rate by eight (8). The daily rate of pay for an employee holding a regular relief assignment shall be the average daily rate of the positions relieved in such assignment. The daily rate of pay for an employee holding a guaranteed rotating extra board position shall be the average daily rate of the positions relieved in the ninety (90) day period last worked on the assignment prior to becoming a Protected Employee.

Section 2.

(a) A Protected Employee who never held a regular assignment prior to the effective date of his protection shall be guaranteed by the Carrier an average daily wage which shall be equivalent to the average daily rate of all of the positions worked in the last twelve (12) months immediately preceding the protective date. (If the average daily rate is less than the daily rate of the lowest rated position in the office or department in which the employee immediately following the date of consummation of the merger, the daily rate of such lowest rated position shall be used as the minimum daily rate.) The average daily rate thereby determined shall be paid to such Protected Employee for that number of days in each semi-monthly pay period which is computed as follows:

(1) The average number of workdays in the semi-monthly pay period shall be determined by dividing by eight (8) the total hours (straight-time and overtime) paid for (not including sick pay) in the last twelve (12) months in which he performed compensated service immediately preceding his protective date; the number of working days thereby determined will be divided by twenty-four (24) and the quotient shall be the average number of workdays in the semi-monthly pay period.

(2) If the Protected Employee worked less than twelve (12) months prior to his protective date, the computations outlined in paragraph (a) (1) above will be made on the basis of number of months worked.

(b) When a Protected Employee who never held a regular assignment is awarded a regular assignment, the daily or monthly rate of such assignment will become his guaranteed and computed monthly pay period.

Section 3.

(a) Employees returning from official positions or fully occupied status, absence account of sickness and/or leave of absence who have not established a guaranteed daily rate in accordance with the foregoing shall be thereafter guaranteed the rate of the position occupied upon return to active service.

Section 4.

In the event any Protected Employee is receiving a higher guaranteed rate established under former Frisco Rule 77 and the February 7, 1965 Agreement, such higher rate shall be used for the purpose of determining his guarantee under this Agreement. All guaranteed rates, however established, shall be increased to the extent of subsequent general wage increases.

Section 5.

(a) In the exercise of seniority a Protected Employee shall be expected to occupy an available position in his home zone, including any guaranteed extra board positions headquartered in his home zone, rated equal to or in excess of his daily guarantee. If a Protected Employee fails to exercise his seniority rights to secure an available position in his home zone for which he has the seniority and qualifications (or has been notified in writing that he has the fitness and ability to become qualified) which carries a rate of pay exceeding the rate of pay of the position he elects to retain, he shall thereafter be treated as occupying the position which he elects to decline.

Section 6.

(a) The guaranteed minimum earnings hereby established shall not be reduced in any pay period except as otherwise provided in this agreement, and in the event an employee is absent the Carrier may deduct from that portion of his guarantee due that pay period an amount equal to the pro rata amount he would have earned on his position had he not been absent.

Section 7.

(a) Time worked in excess of eight (8) hours per day or five (5) days per week shall be paid for at the rate of the position worked at overtime rates in addition to the guaranteed rate or the rate of the position worked, whichever is greater.

ARTICLE III - HOME ZONES OF PROTECTED EMPLOYEES

Section 1.

(a) The home zone of a Protected Employee is the territory

Page 40
Attachment 3/8/83

set forth in Attachment 1 hereto or the territory within a thirty (30) mile radius surrounding the employee's railroad work or assigned location.

(b) A Protected Employee will not be considered as having changed his place of residence unless he obtains a regular position and moves his residence to a location which is outside of his home zone and which is in excess of thirty (30) normal travel miles from his residence but which is not closer to his residence than the area of his former work or assigned location. The home zones for Protected Employees changing their place of residence will be their newly assigned railroad work or assigned location.

ARTICLE IV - UTILITY EMPLOYEES

Section 1.

(a) A "Utility Employee" is an "Extra Protected Employee" who, through the exercise of seniority, cannot hold a bulletined assignment (either regular, relief, temporary or seasonal) in his home zone for which he is qualified or has the fitness and ability to become qualified.

(b) A Utility Employee may be required, upon receiving due notice in writing from the Carrier, to take an available regular relief, temporary or seasonal position in his home zone for which he is qualified or has the fitness and ability to become qualified. Available regular or relief positions shall be offered to the Utility Employees in seniority order; however, the requirement to accept the position shall be in the reverse order of seniority. A Utility Employee who refuses to take an available regular, relief, temporary or seasonal position in his home zone for which he is qualified or has the fitness and ability to become qualified shall forfeit all of the benefits of this Agreement commencing with the first day scheduled to work the refused position and continuing until such time as the refused position is discontinued, or unavailable to him, or he secures another available position.

(c) Where the Carrier has excess Utility Employees it may, in writing, request a Utility Employee to take an available regular or relief position for which he is qualified or has the fitness and ability to become qualified, in his seniority district which is outside his home zone; however, such requests will be made to Utility Employees in the nearest zone where there is an excess of Utility Employees, in reverse order of seniority. A Utility Employee requested to accept a regular or relief position for which he is qualified, or has the fitness and ability to become qualified, in

another zone in the seniority district must exercise one of the following options within twenty (20) calendar days:

- (1) Make the transfer with all the benefits contained in Article IX, Sections 1 and 2.
- (2) Forfeit all of the benefits of this Agreement for a period of six (6) months.
- (3) Accept separation allowance as provided in Article VIII, Section 1.

(d) A Utility Employee who has forfeited the benefits of this Agreement under paragraph (c) (2) of this Section may have the benefits of this Agreement restored prior to the expiration of six (6) months if he secures a regular, relief, temporary or seasonal position as of the first date he works the position.

(e) If in the application of paragraph (c) of this Section the Junior Utility Employee elects Option (2) or (3), the available position may be offered to other Utility Employees but such other Utility Employees will not be required to forfeit any benefits of this Agreement should they elect not to accept the position offered.

Section 2.

(a) A Utility Employee, after being notified in writing, may be used in reverse order of seniority to perform other reasonably comparable work on a position in a different craft or class in his home zone for which he is physically and mentally qualified. If such employment does not infringe upon the employment or transfer rights of the employees in such other craft or class, provided (1) there are less than fifty (50) Protected Employees in his home zone, or (2) the filling of the vacancy in the other craft or class otherwise would require the Carrier to hire a new employee.

(b) A Utility Employee requested to accept other reasonably comparable employment in a different craft or class must accept such employment or be treated as occupying the position declined for a period not to exceed six (6) months from the date he was first scheduled to work the declined position or request a separation allowance in accordance with Article VIII, Section 1. A Utility Employee who has declined employment in another craft or class will not be treated as occupying the declined position prior to the expiration of six (6) months if he secures a regular, relief, temporary or seasonal position as of the first date he works such position.

(c) If, in the application of paragraph (a) of this Section,

the Junior Utility Employee declines an available position in a different craft or class, the available position may be offered to the other Utility Employees, but such other Utility Employees will not be required to forfeit any benefits of this Agreement should they elect not to accept the position offered.

Section 3.

(a) Utility Employees will be called for service from the Extra List to which assigned in accordance with the provisions of Extra List Rule 14. If the Extra List upon which the Utility Employee has placed himself offers inadequate employment for the Utility Employee the Carrier may by fifteen (15) day written advance notice designate an Extra List in the home zone where there is adequate employment. If there are no Extra Lists or inadequate work from an Extra List in the home zone the Carrier may designate the facility, department, office, or railroad location where the Utility Employee will be employed in his home zone. Designations made by the Carrier under this Section 3 may not be changed without a fifteen (15) day written advance notice.

ARTICLE V - BENEFITS WHILE ASSIGNED IN OUTSIDE EMPLOYMENT

Section 1.

(a) Protected Employees accepting employment not subject to the provisions of the Working Agreement between the parties dated May 6, 1980 shall continue to receive compensation due Protected Employees under Article II of this Protective Agreement, less earnings in other employment, and will be allowed Holiday Pay, Jury Duty, Sick Leave, Vacation, Health and Welfare and Dental Benefits in accordance with the Working Agreement mentioned above when such benefits are superior to those provided in outside employment, but there shall be no duplication of such benefits.

ARTICLE VI - TRAINING

Section 1.

(a) Employees who possess the necessary fitness and ability may be offered training by the Carrier in order that they may thereafter be assigned to positions for which they are not immediately qualified.

(b) Training shall be of a type and nature which shall prepare the employee to fulfill the minimum qualifications of the

Page 41
Highway 3/8/83

position or positions for which the training is allowed.

(c) The cost of training including instruction or tuition, textbooks, and study material and supplies shall be borne by the Carrier.

(d) Employees shall be compensated for such training either at the rate of pay of the position for which he is being trained or at his protected rate, whichever is greater.

(e) Upon successful completion of training the employee may be offered and must accept employment in his home zone in accordance with his seniority, which does not require a change in residence, in the position for which trained, but will not have his protected rate reduced.

ARTICLE VII - CHANGES IN OPERATION

Section 1.

(a) The Company shall have the right to place into effect any and all changes necessary to effect an efficient operation of the Company, including the right to transfer work from one position or location to another within a seniority district as well as between seniority districts.

Section 2.

(a) When the Company contemplates a technological or operational change involving five (5) positions or more held by Protected Employees, no less than forty-five (45) days' written notice of such intended change shall be given, via certified mail, to the General Chairman or General Chairman involved. Thirty (30) days' written notice shall be given to the Protected Employees initially affected at their place of employment. When the contemplated change involves less than five (5) positions held by Protected Employees, written notice shall be furnished the General Chairman or General Chairman no less than thirty (30) days in advance of such change and the Protected Employees initially affected shall receive at least ten (10) days' advance notice. The notice shall contain a complete description of the change to be effected, including an estimate of the number of Protected Employees in each job classification who will be affected by the intended change. (This does not supersede provisions of Appendix G-1.)

(b) The parties shall meet within five (5) days after notice is served to reach agreement as may be necessary on the transfer and use of employees, rates of pay and allocation or rearrange-

ment of forces made necessary by the contemplated change.

(c) Changes involving the abolishment of positions no longer required in the operation of the Company, the transfer or reassignment of work within a department or office, changes in rest days or hours of assignment, or changes that occur as a result of fluctuations, rises and falls in the volume or character of traffic (but not including the rerouting of traffic as a result of the merger) are not deemed technological or operational changes for which a notice under Section 2(a) would be required.

(d) The term "Protected Employee" as used in this Article includes employees subject to any existing protective agreements and any protective conditions imposed by law.

Section 3.

(a) An implementing agreement covering the contemplated change will not be necessary prior to the New Company effecting a change on which notice has been given unless a dispute arises concerning the rates of pay to be established for the work performed or any other necessary matters as mentioned in Section 2(b) of this Article. If the parties are unable to agree within the New Company may at any time thereafter make the change and either party may refer the dispute to the Special Board of Adjustment referred to in Article XI hereof. If the Special Board of Adjustment rules in favor of the Organization on a rate of pay issue, the rate of pay shall be retroactive to the date the change was made and in addition a \$3.00 a day penalty shall be paid to the Protected Employee or Employees involved for the interim period. If the Special Board of Adjustment rules in favor of the Carrier, the rate shall become effective on the date of the decision.

Section 4.

(a) Protected Employees required to change their places of residence under this Article or pursuant to Appendix G-2, 3 and 4 shall have twenty (20) days from the date notified to elect one of the options set forth below:

(i) Transfer in accordance with the implementing agreement or displace anywhere in the seniority district and receive the moving expenses and transfer allowances provided in Article IX.

(iii) Not transfer and, if unable to receive a permanent position within his home zone, voluntarily suspend the

Page 42 Appendix 3/8/83

monetary protection provided in Article II until such time as he is again assigned to a permanent position;

(iii) Accept other reasonable comparable employment in a different craft or class within his home zone;

(iv) Elect to take a separation allowance as provided in Article VIII, Section 1.

ARTICLE VIII - SEPARATION ALLOWANCE

Section 1.

(a) Employees who accept a separation allowance pursuant to provisions in this agreement shall resign and the separation allowance will be in lieu of all other protection and benefits provided under this agreement.

(b) The amount of separation allowances shall be based upon the age of the eligible Protected Employee as of his nearest birthday on the date such allowance is offered. The amount of such allowance shall be:

Under age 61: Less than 5 years of service 270 days
5 or more years of service 360 days
Age 61 to 65 12 months' pay
Age 66 10 months' pay
Age 67 8 months' pay
Age 68 6 months' pay
Age 69 and over 4 months' pay
In determining the monthly separation allowance, the appropriate number of months' pay shall correspond with the earnings in the number of months provided immediately preceding the last day of compensated service.

(c) For the purpose of this Section, the ages and birth dates of Protected Employees shall be those shown in the records of the Carriers.

(d) The term "eligible" Protected Employees as used in this Section means a Protected Employee who, on the date the allowance is offered, is then in active service under the agreement with the Organization party hereto and is qualified to continue in service as an employee.

(e) The acceptance of the separation allowance shall be at the option of the eligible Protected Employee to whom offered. Acceptance shall be in writing, shall be irrevocable and shall be received by the Supervisor offering the allowance within fifteen (15) calendar days of receipt of such offer.

Page 43 *Alphacorp* 3/8/83

(f) An eligible Protected Employee who elects to accept and is awarded an allowance shall thereupon terminate his seniority and employment relationship with the Carrier. The effective date of such termination shall be a date specified by the Carrier, which shall be within thirty (30) days of the date of the offer, unless otherwise agreed by the parties hereto. A minimum of fifteen (15) calendar days' advance notice of the date of termination of employment shall be given the Protected Employee offered this allowance.

(g) The allowances provided in this Section shall be paid within sixty (60) calendar days of the date of the termination of employment, except that at the option of such Protected Employee the allowance may be paid in two (2) or three (3) annual installments on the anniversary date of termination.

(h) The separation allowance provided for herein will be in addition to any vacation allowance to which a Protected Employee is entitled as of the date of his separation.

ARTICLE IX - MOVING EXPENSES - REAL ESTATE BENEFITS

Section 1.

(a) A Protected Employee who is required to change the point of his employment pursuant to Articles IV and VII hereof or under Appendix G-2, 3 or 4, and is required to move his place of residence, shall be reimbursed for all expenses of moving his household and other personal effects, for the traveling expenses of himself and members of his family, including living expenses for himself and his family, and for his own actual wage loss, not to exceed 5 working days. Such Protected Employee shall receive a transfer allowance of one thousand dollars (\$1,000.00). The ways and means of transportation shall be agreed upon in advance by the Carrier and the affected employee or his representatives. Should the Protected Employee be forced to the Utility status or die within four (4) years of the date of transfer, the Protected Employee or his widow may elect to return to his former location, in which event he or his widow will be entitled to the moving benefits of this Section 1. Claims under this Section 1 will be presented to the Carrier within 90 days after the date on which the expenses were incurred.

Section 2.

(a) If the Protected Employee owns his own home in the locality from which he is required or requested to move, he shall,

at his option, be reimbursed by the Carrier for any loss suffered in the sale of his home for less than its fair value, including all of the usual and customary closing costs to the seller, such as real estate commission paid to a licensed realtor (not to exceed \$3,000 or 6 per centum of sale price, whichever is less), title insurance fee, reconveyance fee, revenue stamps and prepayment penalty on existing mortgages, but shall not include the payment of any "points" by the seller. In each case the fair value of the home in question shall be determined as of a date sufficiently prior to the date of the transaction so as to be unaffected thereby. The Carrier shall in each instance be afforded an opportunity to purchase the home at such fair value before it is sold by the Protected Employee to any other person.

(b) The Protected Employee may elect to waive the provisions of paragraph (a) of this section and to receive, in lieu thereof, an amount equal to his closing costs which are ordinarily paid for and assumed by a seller of real estate in the jurisdiction in which the residence is located. Such costs shall include a real estate commission paid to a licensed realtor (not to exceed \$3,000 or 6 per centum of sale price, whichever is less), and any prepayment penalty required by the institution holding the mortgage.

(c) If the Protected Employee is under a contract to purchase his home, the Carrier shall protect him against loss to the extent of the fair value of equity he may have in the home and in addition shall relieve him from any further obligation under his contract.

(d) If the employee holds an unexpired lease of a dwelling occupied by him as his home, the Carrier shall protect him from all loss and cost in securing the cancellation of said lease.

(e) No claim for loss shall be paid under the provisions of this section unless such claim is presented to the Carrier within 1 year after the date the employee is required to move.

(f) Should a controversy arise in respect to the value of the home, the loss sustained in its sale, the loss under a contract for purchase, the loss and cost in securing termination of a lease, or any other question in connection with these matters, it shall be decided through joint conference between the employee, or his representative, and the Carrier. In the event they are unable to agree, the dispute or controversy may be referred by either party to a board of competent real estate appraisers, selected in the following manner: One to be selected by the employee and one by

Page 44 Repleknap 3/8/83

the Carrier, and these two, if unable to agree within 30 days upon a valuation, shall endeavor by agreement within 10 days thereafter to select a third appraiser, or to agree to a method by which a third appraiser shall be selected, and failing such agreement, either party may request the National Mediation Board to designate within 10 days a third appraiser whose designation will be binding upon the parties. A decision of a majority of the appraisers shall be required and said decision shall be final and conclusive. The salary and expenses of the third or neutral appraiser, including the expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the compensation of the appraiser selected by such party.

ARTICLE X - APPLICATION TO MERGERS, CONSOLIDATIONS AND OTHER AGREEMENTS

Section 1.

(a) Nothing in this Agreement shall be construed as depriving any employee of any rights or benefits or eliminating any obligations which such employee may have under any existing job security or other protective conditions or arrangements; provided however, that if a protected employee otherwise is eligible for protection under both this Agreement and some other job security or other protective conditions or arrangements, he shall elect between protection under this Agreement and protection under such other arrangement and, for so long as he continues to be protected under the arrangement which he so elects, he shall not be entitled to any protection or benefit (regardless of whether or not such benefit is duplicative) under the arrangement which he does not so elect; and, provided further, that after expiration of the period for which such employee is entitled to protection under the arrangement which he so elects, he may then be entitled to protection under the other arrangement for the remainder, if any, of his protective period under that arrangement. There shall be no duplication or pyramiding of benefits to any employees, and the benefits under this Agreement, or any other arrangement, shall be construed to include the conditions, responsibilities and obligations accompanying such benefits.

(b) Protected employees under the BN-BRAC Protective Agreement of November 17, 1967 and the BN-TCU Protective Agreement of January 18, 1968 will be considered as having elected to retain such protection unless they make written election to be covered by this Agreement. Such employees will retain protection under their applicable merger agreement regarding

less of the job to which assigned under the new BN-BRAC Clerical Schedule Agreement.

(c) If an employee who is protected under the BN-BRAC Protective Agreement of November 17, 1967 elects to place on a guaranteed Rotating Extra Board position, he will be required to protect all work encompassed within the territory of such Board, notwithstanding anything in the November 17, 1967 Agreement to the contrary. However, such employee is not required to place on such a job which works outside his home zone.

Section 2.

(a) Without in any way modifying or diminishing the protective benefits or other provisions of this Agreement, it is understood that in the event of a coordination between two or more carriers as the term "coordination" is defined in the Washington Job Protection Agreement, said Washington Agreement will be applicable to such coordination, except that Section 13 of the Washington Job Protection Agreement is abrogated and the disputes provisions and procedures of this Agreement are substituted therefor.

Section 3.

(a) Where prior to the date of this Agreement the Washington Job Protection Agreement (or other agreements of similar type whether applying inter-carrier or intra-carrier) has been applied to a transaction, coordination allowance and displacement allowances (or their equivalents or counterparts, if other descriptive terms are applicable on a particular railroad) shall be unaffected by this Agreement either as to amount or duration, and allowances payable under the said Washington Agreement or similar agreements shall not be considered compensation for purposes of determining the compensation due a protected employee under this Agreement. (This does not affect Article 11, Section 4 of this Agreement.)

ARTICLE XI - DISPUTES

Section 1.

(a) Disputes between the parties hereto involving the interpretation or application of any of the terms of this Agreement or any memorandum of agreement made in connection with this Agreement, which are not settled on the property may be submitted by either party to the Disputes Committee, established pursuant to Article XII of the Clerks' Merger Agreement dated November 17, 1967 for a final and binding decision.

ARTICLE XIII - MORATORIUM

(a) The Agreement made this 6th day of May, 1980, is effective on the date of consummation of the merger of the Frisco into the BN under ICC Finance Docket 25383.

(b) In the application of the collective agreement to be applicable upon consummation of the merger, it is agreed and understood that if there are any conflicts between the rules of said agreement and the provisions of this agreement the provisions of this agreement will apply.

(c) The parties to this Agreement shall not serve or process prior to May 16, 1983 any notice or proposal for the purpose of changing the provisions of this Agreement. However, this will not bar the parties from agreeing on subject matters of mutual interest.

FOR: THE BROTHERHOOD
OF RAILWAY, AIRLINE AND
STEAMSHIP CLERKS.

GORDON K. WILLIAMS
General Chairman (BN)
JAMES G. DOOLEY
Sr. Vice General Chairman (BN)

GORDON G. GUDE
Vice General Chairman (BN)
T. W. TAGGART
General Chairman (Frisco)
E. C. BURDEN
District General Chairman (Frisco)

APPROVED:
ROBERT M. CURRAN
International Vice President

Page 45
Mogkump
3/8/83

ATTACHMENT 1

1. Chicago, Cicero, Berwyn, Riverside, Congress Park
2. Aurora, LaGrange, Hinsdale, Downers Grove, Westmont, Naperville, Eola, West Chicago, Montgomery Sikys
3. Moline, Clinton, Rock Island, Savanna
4. St. Joseph, Leavenworth, Atchison
5. Greybull, Worland
6. Akron, Ft. Morgan
7. Litchfield, Willmar, Benson
8. St. Cloud, Little Falls
9. Superior (incl. Alouez), Duluth, Carlton, Cloquet
10. Staples, Brainerd
11. Fargo, Moorhead, Barnesville, Dilworth, West Fargo
12. Breckenridge, Wahpeton, Fergus Falls
13. Jamestown, Valley City
14. Grand Forks, East Grand Forks, Crookston
15. Paradise, Thompson Falls
16. Spokane, Hilliard, Yardley, Hauser, Coeur d'Alene, Trentwood
17. Tacoma, South Tacoma, Auburn, Ft. Lewis
18. Renton, Seattle, Interbay, Everett, Delta, Snohomish
19. Mt. Vernon, Bellingham, Blaine, Sumas
20. B. C. Canada

*NOTE: Any new yard facilities located by the New Company in the southside of the City of Seattle and/or south of Seattle and north of Kent will be treated for the purposes of this Agreement as a part of both Zones 17 and 18, except that such yard facilities shall be treated only as a part of Zone 18 in respect to Section 5(a) of Article III.

Page 46 Highway 3/8/83

REPORT OF CLERICAL EMPLOYEES EMPLOYED UNDER PROVISIONS OF AGREEMENT WITH BROTHERHOOD OF AIRLINE AND STEAMSHIP CLERKS IN THE STATE OF MONTANA AS OF MARCH 1, 1983.

Report indicates total number of protected and non-protected employees holding regularly assigned positions and extra employees not holding regularly assigned positions. Also included is a list of all non-protected employees, regular and extra, showing location and when they will become protected.

Regularly Assigned Protected Clerks	444
Regularly Assigned Non-Protected Clerks	5
Extra Clerks having no Regular Employment but Protected	160
Extra Clerks having no Regular Employment without Protection	<u>24</u>
Total Clerical Employees in the State of Montana	633

List of Non-Protected Clerks in Seniority Order, indicating when protection will begin:

<u>NAME</u>	<u>LOCATION</u>	<u>SERVICE DATE</u>	<u>WILL BECOME PROTECTED</u>
M. Ketchum	Glendive, Mt.	3-05-80	3-05-83
L. Zuelke	Forsyth, Mt.	3-08-80	3-08-83
C. Zabrocki	Glendive, Mt.	4-02-80	4-02-83
H. Tausher	Livingston, Mt.	4-08-80	4-08-83
D. Drogitis	Livingston, Mt.	4-09-80	4-09-83
J. Hay	Livingston, Mt.	4-11-80	4-11-83
P. Ronseth	Missoula, Mt.	4-14-80	4-14-83
M. Glebke	Shelby, Mt.	4-29-80	4-29-83
G. Tronnes	Shelby, Mt.	5-05-80	5-05-83
D. Knight	Shelby, Mt.	5-06-80	5-06-83
S. Woodhouse	Livingston, Mt.	5-18-80	5-18-83
R. Kline	Laurel-Billings, Mt.	5-20-80	5-20-83
B. Morse	Great Falls, Mt.	5-24-80	5-24-83
W. Hanson	Havre, Mt.	5-29-80	5-29-83
P. Beilke	Havre, Mt.	5-30-80	5-30-83
P. Sausser *	Billings, Mt.	6-17-80	6-17-83
C. Gulbranson	Shelby, Mt.	6-20-80	6-20-83
M. Grothen	Missoula, Mt.	6-29-80	6-29-83
T. Ungefucht *	Billings, Mt.	7-22-80	7-22-83
P. Worden *	Billings, Mt.	7-24-80	7-24-83
A. Racki	Laurel-Billings, Mt.	8-12-80	8-12-83
V. Larson	Livingston, Mt.	8-15-80	8-15-83
L. Potter *	Billings, Mt.	10-03-80	10-03-83
J. Robinson	Missoula, Mt.	10-04-80	10-04-83
J. Berg	Havre, Mt.	10-09-80	10-09-83
E. Humphreville *	Billings, Mt.	10-11-80	10-11-83
R. Bergsing	Livingston, Mt.	10-20-80	10-20-83
P. Tendeland	Livingston, Mt.	10-20-80	10-20-83
R. Galier	Missoula, Mt.	10-21-80	10-21-83

* Clerks holding regularly assigned positions who do not as yet qualify for protection (guarantee) payments.

Highways and Transportation
March 10, 1983
Page 7

A roll call vote was taken on Senator Elliott's motion that House Bill No. 437, as amended, BE CONCURRED IN. The motion carried. Senator Tveit will carry the bill on the floor of the Senate.

ACTION ON HOUSE BILL NO. 504: Paul Verdon, Legislative Council, presented some amendments to the committee that the Council prepared. They are housekeeping amendments, and just make the language consistent in the bill:

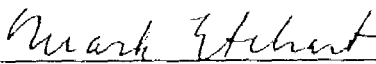
1. Page 2, line 9.
Following: "closure"
Insert: ", consolidation, or centralization"
2. Page 2, line 15.
Following: "closure,"
Insert: "consolidation, or centralization"

Senator Elliott made a motion that the amendments to House Bill No. 504 be adopted. The motion carried unanimously.

Senator Shaw made a motion that House Bill No. 504, as amended, BE NOT CONCURRED IN. A roll call vote was taken. The motion failed.

Senator Elliott made the motion that House Bill No. 504, as amended, BE CONCURRED IN. A roll call vote was taken. The motion passed.

ADJOURN: There being no further business before the Committee, the meeting was adjourned at 2:20 p.m.



Senator Mark Etchart, Chairman

STANDING COMMITTEE REPORT

Page 31

March 11

1983

MR. PRESIDENT:

We, your committee on HIGHWAYS AND TRANSPORTATION

having had under consideration HOUSE Bill No. 504

ZOBROCKI (Elliott)

Respectfully report as follows: That HOUSE Bill No. 504
third reading bill, be amended as follows:

1. Page 2, line 9.
Following: "closure"
Insert: ", consolidation, or centralization"
2. Page 2, line 15.
Following: "closure,"
Insert: "consolidation, or centralization"

And, as so amended,
BE CONCURRED IN
~~XXXXXX~~

4/c